THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **Tong Ren Tang Technologies Co. Ltd.**, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Tong Ren Tang Technologies Co. Ltd.

北京同仁堂科技發展股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1666)

PROPOSED APPOINTMENT OF DIRECTORS AND DETERMINATION OF THE DIRECTORS' REMUNERATION;
PROPOSED DETERMINATION OF THE EMPLOYEE DIRECTORS' REMUNERATION;
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION (INCLUDING ABOLITION OF THE SUPERVISORY COMMITTEE AND SUPERVISORS, AND ESTABLISHMENT OF EMPLOYEE DIRECTORS);
PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF SHAREHOLDERS' GENERAL MEETINGS;
PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF THE BOARD OF DIRECTORS;
AND
NOTICE OF EGM

A letter from the Board is set out on pages 3 to 9 of this circular. A notice convening the EGM to be held at No. 20 Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC at 1:30 p.m. on Monday, 18 August 2025 is set out on pages 127 to 129 of this circular.

If you intend to appoint a proxy to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding of the EGM or any adjournment thereof, and deposit it with, (i) for holders of H Shares, Computershare Hong Kong Investor Services Limited, the H Share registrar and transfer office of the Company in Hong Kong, at 17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong; and (ii) for holders of Domestic Shares, the office of the Company, at No. 20 Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so desire.

29 July 2025

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In this circular, unless the context otherwise requires, the following expressions have the following meanings:

"Articles of Association" or "Existing Articles of Association"	means the existing articles of association of the Company
"Audit Committee"	means the audit committee of the Board
"Board"	means the board of Directors
"Company"	means Tong Ren Tang Technologies Co. Ltd. (北京同仁堂科技發展股份有限公司), a joint stock limited company incorporated in the PRC, and its H shares are listed on the main board of the Hong Kong Stock Exchange
"Director(s)"	means the director(s) of the Company
"Domestic Share(s)" or "Domestic Unlisted Share(s)"	means the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are subscribed for in RMB
"EGM"	means the extraordinary general meeting of the Company to be convened at 1:30 p.m. on Monday, 18 August 2025 at No. 20 Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC
"Employee Director(s)"	means employee representative Directors
"Group"	means the Company and its subsidiaries
"H Share(s)"	means the ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each, which is/are listed on the Hong Kong Stock Exchange and subscribed for in Hong Kong dollars
"Hong Kong"	means the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	means The Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (as amended from time to time)
"Hong Kong Stock Exchange"	means The Stock Exchange of Hong Kong Limited

"Latest Practicable Date"	means 22 July 2025, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
"Nomination Committee"	means the nomination committee of the Board
"PRC"	means the People's Republic of China, which for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, China
"Revised Articles of Association"	means the revised articles of association of the Company proposed to be adopted by the Company at the EGM
"RMB"	means the lawful currency of the PRC, Renminbi
"Rules of Procedures of Shareholders' General Meetings"	means the rules of procedures of shareholders' general meetings of the Company
"Rules of Procedures of the Board of Directors"	means the rules of procedures of the board of directors of the Company
"SFO"	means Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
"Share(s)"	means the share(s) of the Company, including Domestic Shares and H Shares, unless specified otherwise
"Shareholder(s)"	means the shareholder(s) of the Company
"Strategy and Planning Committee"	means the strategy and planning committee of the Board
"Supervisor(s)"	means the supervisor(s) of the Company
"Supervisory Committee"	means the supervisory committee of the Company



Tong Ren Tang Technologies Co. Ltd.
北京同仁堂科技發展股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1666)

Executive Director:
Mr. Zhang Yi *(Chairman)*

Non-executive Directors:
Mr. Di Shu Bing
Mr. Chen Jia Fu
Ms. Feng Zhi Mei
Mr. Chen Fei
Ms. Feng Li

Independent non-executive Directors:
Ms. Chan Ching Har, Eliza
Mr. Zhan Yuan Jing
Mr. Li Siu Bun

Registered office:
No. 16 Tongji Beilu,
Beijing Economic and
Technological Development Zone,
Beijing, the PRC

Office and mailing address:
No. 20 Nansanhuan Zhonglu,
Fengtai District,
Beijing, the PRC

To the Shareholders

Dear Sir or Madam,

PROPOSED APPOINTMENT OF DIRECTORS AND DETERMINATION OF THE DIRECTORS' REMUNERATION;
PROPOSED DETERMINATION OF THE EMPLOYEE DIRECTORS' REMUNERATION;
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION (INCLUDING ABOLITION OF THE SUPERVISORY COMMITTEE AND SUPERVISORS, AND ESTABLISHMENT OF EMPLOYEE DIRECTORS);
PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF SHAREHOLDERS' GENERAL MEETINGS;
PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF THE BOARD OF DIRECTORS;
AND
NOTICE OF EGM

I. INTRODUCTION

References are made to the announcement of the Company dated 5 June 2025 in relation to, amongst other things, the proposed appointment of Directors, and the announcement of the Company dated 17 July 2025 in relation to, amongst other things, the proposed amendments to the Articles of Association, the Rules of Procedures of Shareholders' General Meetings and the Rules of Procedures of the Board of Directors.

The purpose of this circular is to provide you with (i) the proposed appointment of Directors and determination of the Directors' remuneration; (ii) the proposed determination of the Employee Directors' remuneration; (iii) details of the proposed amendments to the Articles of Association (including abolition of the Supervisory Committee and Supervisors, and establishment of Employee Directors); (iv) details of the proposed amendments to the Rules of Procedures of Shareholders' General Meetings; (v) details of the proposed amendments to the Rules of Procedures of the Board of Directors; and (vi) the notice convening the EGM.

II. PROPOSED APPOINTMENT OF DIRECTORS AND DETERMINATION OF THE DIRECTORS' REMUNERATION

Reference is made to the announcement of the Company dated 5 June 2025 in relation to the followings: the Board received a resignation letter from each of Mr. Di Shu Bing ("**Mr. Di**"), Mr. Chen Jia Fu ("**Mr. Chen**") and Ms. Feng Zhi Mei ("**Ms. Feng**"), informing the Board of (i) Mr. Di's resignation from his positions as a Director, chairman of the Board, chairman of the Nomination Committee, chairman of the Strategy and Planning Committee and the Authorized Representative under Rule 3.05 of the Hong Kong Listing Rules due to work adjustments; (ii) Mr. Chen's resignation from his positions as a Director, a member of the Strategy and Planning Committee and the general manager of the Company due to work adjustments; and (iii) Ms. Feng's resignation from her positions as a Director and the deputy general manager of the Company due to work adjustments. The above-mentioned Mr. Di's resignation as chairman of the Board, chairman of the Nomination Committee, chairman of the Strategy and Planning Committee and the Authorized Representative, Mr. Chen's resignation as the general manager of the Company and Ms. Feng's resignation as the deputy general manager of the Company has taken effect from 4 June 2025. Each of the above-mentioned Mr. Di's, Mr. Chen's and Ms. Feng's resignation as a Director, and Mr. Chen's resignation as chairman of the Strategy and Planning Committee will become effective upon the approval of the Shareholders at the next general meeting to be held after the 2024 annual general meeting. Mr. Di, Mr. Chen and Ms. Feng have confirmed that they have no disagreement with the Board and there is no other matters relating to their resignation that need to be brought to the attention of the Hong Kong Stock Exchange and the Shareholders.

As such, the Board (i) proposed to appoint Mr. Zhang Chun You as an executive Director. It is proposed by the Board that Mr. Zhang Chun You's remuneration for his services as an executive Director is nil and he will receive remuneration in accordance with his management positions in the Company. His actual remuneration will be disclosed in the Company's annual report; (ii) proposed to appoint Ms. Wen Kai Ting as an executive Director. It is proposed by the Board that Ms. Wen Kai Ting's remuneration for her services as an executive Director is nil and she will receive remuneration in accordance with her management positions in the Company. Her actual remuneration will be disclosed in the Company's annual report; and (iii) proposed to seek the shareholders' approval at the general meeting that Mr. Zhang Yi's remuneration for his services as an executive Director is nil and he will receive remuneration in accordance with his management positions in the Company. His actual remuneration will be disclosed in the Company's annual report.

The aforementioned matters are subject to the approval by the Shareholders at the EGM. The biographical details of Mr. Zhang Yi, Mr. Zhang Chun You and Ms. Wen Kai Ting are as follows:

Mr. Zhang Yi (張毅), aged 50, doctor of laws. He used to be the general counsel and chief compliance officer of China Beijing Tong Ren Tang Group Co., Ltd, Party Secretary (concurrently), director (concurrently) and chairman (concurrently) of Beijing Tong Ren Tang Medicinal Materials Ginseng Antler Investment Group Co. Ltd. He currently serves as the secretary of the Party Committee and the chairman of the Board of the Company.

Mr. Zhang Chun You (張春友), aged 57, university degree, professional pharmacist of traditional Chinese medicine, engineer. He formerly served as the deputy manager and manager of the operation branch and the deputy general manager and the executive deputy general manager of Beijing Tong Ren Tang Company Limited, and the deputy general manager of the Company. He currently serves as the deputy secretary of the Party Committee and the general manager of the Company, and the director and general manager of Beijing Tong Ren Tang Tongxin Pharmaceutical Co., Ltd.

Ms. Wen Kai Ting (溫凱婷), aged 47, master in management, certified public accountant in China (non-practicing). She served as a senior manager at Grant Thornton (General Partnership), and the deputy chief accountant, a member of the Party Committee, a director, and the chief accountant at Beijing Tong Ren Tang Company Limited, and the Vice President of Beijing Tong Ren Tang Research Institute. She currently serves as the chief accountant of the Company.

Save as disclosed above and as at the Latest Practicable Date, each of Mr. Zhang Yi, Mr. Zhang Chun You and Ms. Wen Kai Ting does not have:

(i) any relationship with any Directors, senior management, substantial or controlling shareholder(s) of the Company or other members of the Group;

(ii) any other position with the Company or any of its subsidiaries, or any directorship in other listed companies in the last three years;

(iii) other major appointments or professional qualifications; and

(iv) any interest in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Upon their appointment as executive Directors and their remuneration being approved by the Shareholders at the EGM, each of Mr. Zhang Chun You and Ms. Wen Kai Ting will enter into a director service contract with the Company for a term commencing from the date of their appointment and until the end of this session of the Board, subject to re-election at the end of the term.

Save as disclosed above and as at the Latest Practicable Date, the Board is not aware of any other matters in relation to Mr. Zhang Chun You's and Ms. Wen Kai Ting's appointment as executive Directors that need to be brought to the attention of the Shareholders nor any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Hong Kong Listing Rules.

III. PROPOSED DETERMINATION OF THE EMPLOYEE DIRECTORS' REMUNERATION

Pursuant to the Revised Articles of Association, the Company proposed to establish the role of Employee Director(s), who shall be elected by the employees of the Company at the general meeting of employee representative by democratic election without requiring the approval of the Shareholders.

It is proposed by the Board that Employee Directors' remuneration for their services as Directors is nil and they will receive remuneration in accordance with their management positions in the Company. Their actual remuneration will be disclosed in the Company's annual report. The remuneration of Employee Director shall be subject to the approval of the Shareholders at the EGM by way of an ordinary resolution.

IV. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION (INCLUDING ABOLITION OF THE SUPERVISORY COMMITTEE AND SUPERVISORS, AND ESTABLISHMENT OF EMPLOYEE DIRECTORS)

Given that: (i) the Special Regulations on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (《國務院關於股份有限公司境外募集股份及上市的特別規定》) (the "**Special Regulations**") have been repealed; (ii) the Mandatory Provisions for Companies Listing Overseas (《到境外上市公司章程必備條款》) (the "**Mandatory Regulations**") have been repealed; (iii) the Company Law of the People's Republic of China (《中華人民共和國公司法》) (the "**Company Law**") has come into force on 1 July 2024; (iv) amendments to the provisions of the Hong Kong Listing Rules in relation to shares repurchase and treasury shares have come into effect on 11 June 2024; and (v) relevant requirements in relation to the reform of the Supervisory Committees of Municipally-Owned Enterprises by the State-owned Assets Supervision and Administration Commission of People's Government of Beijing Municipality (北京市人民政府國有資產監督管理委員會).

Major changes of the Revised Articles of Association are summarized as follows: (i) deletion of obsolete terms related to the "Special Regulations" and "Mandatory Regulations" in the Existing Articles of Association; (ii) establishment of Employee Directors; (iii) abolition of the Supervisory Committee and Supervisors, and the replacement of the Supervisory Committee with the Audit Committee to exercise authority; (iv) modify the procedures and handling method of share repurchase; and (v) conduct of comprehensive review to each chapters of the Existing Articles of Association in accordance with prevailing laws and regulations, to further improve the relevant contents in the Existing Articles of Association involving corporate governance, shareholders' interests and operations of the three committees, and to ensure a strong basis in laws and evidence of corporate governance.

Details of the proposed amendments to the Articles of Association are set out in Appendix I of this circular. The proposed amendments to the Articles of Association shall be valid only after the approval of the Shareholders in the form of a special resolution at the EGM. The relevant resolution will be submitted to the EGM for Shareholders' consideration and approval.

The English version of the Revised Articles of Association is an unofficial translation of the Chinese version and is for reference only. In case of any inconsistencies between the Chinese and the English version, the Chinese version shall prevail.

V. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF SHAREHOLDERS' GENERAL MEETINGS

The Company intends to amend the Rules of Procedures of Shareholders' General Meetings in order to (i) conform to the Revised Articles of Association; and (ii) make other housekeeping amendments.

Details of the proposed amendments to the Rules of Procedures of Shareholders' General Meetings are set out in Appendix II of this circular. The proposed amendments to the Rules of Procedures of Shareholders' General Meetings shall be valid only after the approval of the Shareholders in the form of an ordinary resolution at the EGM. The relevant resolution will be submitted to the EGM for Shareholders' consideration and approval.

VI. PROPOSED AMENDMENTS TO THE RULES OF PROCEDURES OF THE BOARD OF DIRECTORS

The Company intends to amend the Rules of Procedures of the Board of Directors in order to (i) conform to the Revised Articles of Association; and (ii) make other housekeeping amendments.

Details of the proposed amendments to the Rules of Procedures of the Board of Directors are set out in Appendix III of this circular. The proposed amendments to the Rules of Procedures of the Board of Directors shall be valid only after the approval of the Shareholders in the form of an ordinary resolution at the EGM. The relevant resolution will be submitted to the EGM for Shareholders' consideration and approval.

VII. EGM

A notice convening the EGM to be held at No. 20 Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC at 1:30 p.m. on Monday, 18 August 2025, is set out on pages 127 to 129 of this circular.

The resolutions proposed at the EGM will be voted on by poll. To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, none of the Company's connected persons, Shareholders and their respective associates have significant interests in the above-mentioned resolutions and is required to abstain from voting on the relevant resolutions at the EGM.

If you intend to appoint a proxy to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon as soon as practicable and in any event not less than 24 hours before the time appointed for the holding of the

EGM or any adjournment thereof, and deposit it with, (i) for holders of H Shares, Computershare Hong Kong Investor Services Limited, the H Share registrar and transfer office of the Company in Hong Kong, at 17M Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong; and (ii) for holders of Domestic Shares, the office of the Company, at No. 20 Nansanhuan Zhonglu, Fengtai District, Beijing, the PRC. Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof should you so desire.

The register of members of Shares will be closed from Wednesday, 13 August 2025 to Monday, 18 August 2025 (both days inclusive), during which time no transfer of Shares will be registered. In order to be qualified for attending and voting at the EGM, all transfer documents of the holders of H Shares together with the relevant share certificates must be lodged with the Company's H Share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Tuesday, 12 August 2025.

VIII. RECOMMENDATION

The Directors believe that (i) the proposed appointment of Directors and determination of the Directors' remuneration; (ii) the proposed determination of the Employee Directors' remuneration; (iii) the proposed amendments to the Articles of Association (including abolition of the Supervisory Committee and Supervisors, and establishment of Employee Directors); (iv) the proposed amendments to the Rules of Procedures of Shareholders' General Meetings; and (v) the proposed amendments to the Rules of Procedures of the Board of Directors are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

By order of the Board
Tong Ren Tang Technologies Co. Ltd.
Zhang Yi
Chairman of the Board

Beijing, the PRC
29 July 2025

Tong Ren Tang Technologies Co. Ltd.
The Articles of Association

(The Articles of Association was originally drafted in Chinese and the English translation is for your reference only. In case of any inconsistencies between the Chinese and the English version, the Chinese version shall prevail.)

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CHAPTER 1 GENERAL PROVISIONS

Article 1 To protect the legitimate rights and interests of the Company, its shareholders and creditors thereof, and to regulate the organization and acts of the Company, the Articles of Association are formulated pursuant to the Constitution of the Communist Party of China (the "**Party Constitution**"), the Company Law of the People's Republic of China (the "**Company Law**"), the Law of the People's Republic of China on the State-owned Assets, ~~**the Special Regulations of the State Council on the Overseas Offering and Listing of Shares by Joint Stock Limited Companies (the "Special Regulations"), the Official Reply of the State Council on Adjusting the Provisions Governing Matters Including the Application of the Notice Period for the Convening of Shareholders' General Meetings by Companies Listed Overseas,**~~ the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), and other relevant provisions.

Article 2 The Company was established as a joint stock limited company pursuant to the Company Law~~**, the Special Regulations**~~ and other related laws and administrative regulations of the PRC.

The Company was established by way of promotion with the approval of the People's Government of Beijing Municipality. The primary promoter of the Company was Beijing Tong Ren Tang Co., Ltd. (北京同仁堂股份有限公司). The Company was registered with Beijing Municipal Administration for Industry and Commerce on 22 March 2000 and obtained the business license of enterprise legal person with the unified social credit code of 91110000722600841J.

Article 3 Registered full name of the Company in Chinese: 北京同仁堂科技發展股份有限公司. Full name in English: TONG REN TANG TECHNOLOGIES CO. LTD.

Article 4 Domicile of the Company: No. 16 Tongji Beilu, Beijing Economic and Technology Development Zone, Beijing, the People's Republic of China. Postal code: 100076

Article 5 ~~**The chairman of the Company shall be the legal representative of the Company.**~~ **The director who executes the Company's affairs on behalf of the Company shall be the legal representative of the Company. The chairman of the Company represents the Company in the execution of corporate affairs.**

If a director who is the legal representative resigns, he is deemed to have resigned as the legal representative at the same time. If a legal representative resigns, the Company shall assign a new legal representative within thirty (30) days from the date of the legal representative's resignation.

Article 6 The Company is a joint stock limited company with perpetual succession.

Article 7 The Articles of Association were considered and approved by way of special resolution at a general meeting and became effective from the date of approval. From the effective date onwards, the Articles of Association shall constitute a legally binding document governing the organization and activities of the Company, and the rights and obligations between the Company and its shareholders, and among the shareholders.

Article 8 The Articles of Association shall be binding on the Company and its shareholders, directors, ~~**supervisors,**~~ general manager and other senior management. All the persons mentioned above may, pursuant to the Articles of Association, put forward claims concerning the affairs of the Company.

In accordance with the Articles of Association, the shareholders may take legal actions against the Company; the Company may take legal actions against the shareholders; the shareholders may take legal actions against other shareholders; and the shareholders may take legal actions against the directors, ~~**supervisors,**~~ general manager and other senior management of the Company.

The term "legal actions" as mentioned in the preceding paragraph ~~**include**~~**means** lawsuits brought to courts ~~**or claims referred to arbitration in Article 179 of this Articles of Association**~~.

Article 9 ~~**The Company may invest in other companies with limited liability and joint stock limited companies, to which the Company shall be liable to the extent of the amount of capital contribution.**~~ **The Company may invest in other enterprises. If the law stipulates that a company may not become an investor that is jointly liable for the debts of the invested enterprise, the law shall apply.**

Article 10 In accordance with the Party Constitution, the Company shall establish a Party organization of the Communist Party of China; establish a working organization of the Party and Party affairs personnel. The organization and personnel of the Party shall be incorporated into the Company's management system and staffing. The funding of the Party organization shall be included in the Company's budget and recorded as administrative expenses. The Company shall adhere to the leadership of the Party, strengthen the development of the Party organization, and fully exert the functions of leading core and political core of the Party organization.

Article 11 The Company adheres to the rule of law for enterprises, abides by laws and regulations, complies with social morality and business ethics, behaves in an honest and trustworthy way, accepts supervision from the government and the public, and undertakes social responsibility. The legitimate rights and interests of the Company are protected by law and shall not be infringed.

CHAPTER 2 OBJECTIVES AND BUSINESS SCOPE

Article 12 The business objectives of the Company are: to uphold the operation strategy of leveraging on the innovative technology, focusing on the quality of services and setting the economic benefits as the goal; to proactively develop new types of Chinese medicine, to explore new markets and gradually strengthen the sales network system; to improve the management of the Company pursuant to the international practice and standards and expedite the centralized group management and export-oriented development of the Company to establish itself as an integrated Chinese medicine and biological pharmaceutical group engaged in businesses of "technology, production, services and trading".

Article 13 The business scope of the Company shall be consistent with and subject to that as approved by the company registration authorities.

The business scope of the Company covers ~~**development of medical technology, technology consultancy and services; manufacturing and sale of Chinese medicine, biological preparations, Chinese herbs, pharmaceutical chemicals reagents, chemical raw medicine, antibiotics, biochemical drugs, medical devices, medical disinfectant alcohol, disinfectant, food, dairy products, liquor (rice wine), healthcare food and commodity wholesale pre-packaged food; retail pre-packaged food; e-commerce; export of self-produced products and related technology; manufacturing and import and export of raw and auxiliary materials, machinery and equipment and technology required by production; property lease business; general transportation of goods; business of joint venture, production cooperation, product processing with supplied materials and compensation trade; import and export of other commodities approved by relevant departments of the State (save for the projects without specific license); operating and acting as an agent in the import and export business of various commodities and technology (excluding the commodities and technology, the operation of which is restricted or the import or export of which is prohibited (merchandise catalog for import and export is not enclosed)) by the State; product processing with imported materials and "three categories of processing and one category of compensation businesses"; re-export and counter trade.**~~ **general businesses: technology services, development of technology, technology consultancy, technology exchanges, technology transfer, technology promotion; advertising; Internet sales (except for the sale of goods that require licensing); technology import and export; food import and export; import and export**

agency; goods import and export; offshore trade operations; non-residential real estate leasing; sale of type I medical devices; sale of commodity; sale of disinfectant (excluding hazardous chemicals); sale of food (only pre-packaged food); sale of healthcare food (pre-packaged). (In addition to items subject to approval by law, with a business license to independently carry out business activities) permitted items; online sale of food; import and export of drugs; business use of acquatic wildlife under the list of endangered and protected species of China and their products; tea products production; healthcare food production; pharmaceutical wholesale; commissioned pharmaceutical production; road cargo transportation (does not contain hazardous goods) [operates by subsidiaries]; pharmaceutical production [operates by subsidiaries]. (For items that require approval by law, business activities can only be commenced after approval by the relevant departments, and specific business items are subject to the approval documents or permits of the relevant departments.) (Business activities shall not be engaged in items prohibited and restricted by the state and the city's industrial policies.)

Article 14 In light of the domestic and international market conditions, the development needs of the domestic and overseas business, and the growth capability, the Company may adjust its investment policies and change its scope and mode of business, subject to resolution passed at the **shareholders'** general meeting and approval from competent regulatory authorities.

CHAPTER 3 SHARES AND REGISTERED CAPITAL

~~**Article 15 The Company shall provide for ordinary shares at all times. It may, according to its requirements, create other classes of shares upon approval of the examination and approval departments authorized by the State Council.**~~

Article ~~16~~**15** **The capital of the Company shall be divided into shares.** The shares issued by the Company shall have a par value of RMB1 per share.

Article 16 Shares shall be issued on a fair and equitable basis and each share of the same class shall carry the same rights.

Shares of the same class issued at the same time shall be issued on the same terms and at the same price per share, and subscribers shall pay the same price for each share they subscribe.

Article 17 The Company may issue shares to domestic and foreign investors ~~**upon the approval of the China Securities Regulatory Commission**~~.

"Foreign investors" mentioned in the above paragraph refer to investors from foreign countries and the regions including Hong Kong, Macau and Taiwan who subscribe for the shares issued by the Company, and "domestic investors" refer to investors within the People's Republic of China, excluding those from the aforementioned regions, who subscribe for the shares issued by the Company.

Article 18 ~~**Shares issued by the Company to domestic investors for subscription in Renminbi shall be referred to as domestic shares.**~~ **Shares issued by the Company but not listed or quoted on a domestic exchange are referred to as domestic unlisted shares. Domestic unlisted shares shall be centrally registered and deposited with the domestic securities registration and clearing organization.** Shares issued by the Company to foreign investors for subscription in foreign currency shall be referred to as foreign shares. Foreign shares which are listed outside the PRC shall be referred to as overseas listed foreign shares. ~~**Upon approval of the China Securities Regulatory Commission and the overseas securities regulatory authorities, the domestic shares that can be listed and traded on the overseas stock exchange and the overseas listed foreign shares are collectively referred to as overseas listed shares.**~~

~~**Upon approval of the China Securities Regulatory Commission, holders of the domestic shares may transfer all or part of the domestic shares held by them to overseas investors, and have the shares listed and traded on overseas stock exchanges upon approval of overseas stock exchanges; and all or part of domestic shares may be converted into overseas listed shares that can be listed and traded on overseas stock exchanges. The listing and trading of transferred or converted shares on overseas stock exchanges shall comply with the regulatory procedures, regulations and requirements of such overseas securities market. No shareholders' general meeting or shareholders' class meeting is required with respect to the listing and trading of transferred or converted shares on overseas stock exchange. The overseas listed shares converted from the domestic shares are the same class of shares as the original overseas listed foreign shares.**~~

Holders of domestic unlisted shares of the Company may convert all or part of their holdings into overseas listed shares and list them for trading on overseas stock exchanges, it shall comply with the relevant regulations of the China Securities Regulatory Commission and entrust the Company to file with the China Securities Regulatory Commission for record. The listing and trading of the converted shares on overseas stock exchanges shall also comply with the regulatory procedures, regulations and requirements of overseas stock exchanges. No shareholders' general meeting is required with respect to the listing and trading of the converted shares on overseas stock exchanges.

Article 19 Upon approval of the examination and approval department, the Company issued 110,000,000 shares to the Promoter upon its incorporation, representing 100% of the total number of issued ordinary shares of the Company during its incorporation.

Article 20 72,800,000 ordinary shares were issued by the Company after its establishment, all of which are foreign shares listed on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**"), representing 39.82% of the then total share capital of the Company.

The current structure of share capital of the Company is 1,280,784,000 shares, of which 652,080,000 shares are ~~**domestic shares**~~ **domestic unlisted shares** while 628,704,000 shares are overseas listed foreign shares. The controlling shareholder of the Company, Beijing Tong Ren Tang Co., Ltd. (北京同仁堂股份有限公司), holds 600,000,000 ~~**domestic shares**~~ **domestic unlisted shares**, representing 46.85% of the total share capital of the Company.

~~**Article 21 Upon approval of China Securities Regulatory Commission of the Company's proposal for the issuance of overseas listed foreign shares and domestic shares upon its incorporation, the Board of the Company may make implementation arrangements in relation to separate issuance.**~~

~~**The Company's proposal for separate issuance of overseas listed foreign shares and domestic shares pursuant to the aforesaid paragraph may be implemented separately within 15 months from the date of approval by China Securities Regulatory Commission.**~~

~~**Article 22 Where the Company issues overseas listed shares and domestic shares respectively within the total number of shares as stated in the issuance proposal, the respective shares shall be subscribed for in full at one time. If they cannot be subscribed for in full at one time under special circumstances, these shares may be issued in several issues subject to the approval of China Securities Regulatory Commission.**~~

Article ~~23~~**21** The registered capital of the Company is RMB1,280,784,000.

Article ~~24~~**22** The Company may, based on its requirements for operation and development and in accordance with the relevant provisions of the Articles of Association, approve an increase of capital.

The Company may increase its capital in the following manners:

(1) by offering new shares for subscription to unspecified investors;

(2) by placing new shares to its existing shareholders;

(3) by allotting new shares to its existing shareholders;

(4) by any other means which is permitted by laws, administrative regulations.

The Company's increase of capital by issuing new shares shall, after being approved in accordance with the provisions of the Articles of Association, be conducted in accordance with the procedures stipulated by relevant laws and administrative regulations of the State.

Article ~~25~~23 ~~(1)~~ Under the circumstances in compliance with the Articles of Association, a shareholder shall transfer his shares, whether in whole or in part, in a common way or any other way that is considered acceptable to the Board of the Directors and shall be effective only upon the signature by hand. The adoption of the standard form of transfer specified by the Hong Kong Stock Exchange is not in incompliance with the Articles of Association.

~~(2)~~ No shares shall transfer to minors or persons who are mentally deficient or legally disqualified.

~~(3)~~ The Board may refuse to recognize any instrument of transfer, except:

~~(a)~~1. such transfer fee determined by the Hong Kong Stock Exchange or such lower amount as the Board of the Company may require in other time has been paid and such fees shall not be more than the maximum amount as set out in the Listing Rules ~~of the Main Board (the "Listing Rules")~~ by the Hong Kong Stock Exchange from time to time;

~~(b)~~2. the instrument of transfer involves only the overseas listed foreign shares;

~~(c)~~3. the instrument of transfer has been chopped with the appropriate stamp.

CHAPTER 4 REDUCTION OF CAPITAL AND REPURCHASE OF SHARES

Article ~~26~~24 Pursuant to the provisions of the Articles of Association, the Company may reduce its registered capital.

Article ~~27~~25 The Company ~~is required to~~ **shall** prepare a balance sheet and an inventory of assets when it reduces its registered capital. The Company shall notify its creditors within ten (10) days from the date of the Company's resolution on reduction of registered capital **at the shareholders' general meetings** and shall publish the announcement in the newspaper **or the National Enterprise Credit Information Publicity System** within thirty (30) days. A creditor has

the right, within thirty (30) days of receiving the notice from the Company or, in case the creditor has not received the notice, within forty-five (45) days from the date of the announcement, to require the Company to repay its debt or provide a corresponding guarantee for such debt.

The registered capital of the Company following the reduction of capital shall not fall below the minimum statutory requirement.

Article ~~28~~**26** The **Company shall not acquire shares of the Company. However, the** Company may, in accordance with the procedures set out in the Articles of Association ~~**and with the approval of the relevant governing authority of the State**~~, repurchase its outstanding shares under the following circumstances:

(1) ~~**cancellation of shares for the purposes of**~~ reducing its **registered** capital;

(2) merging with another company that holds shares of the Company;

(3) utilizing shares for employee share scheme or share incentive;

(4) acquiring shares held by shareholders who vote against any resolution proposed at any general meeting on the merger or division of the Company upon their request;

(5) using the shares for converting the convertible bonds issued by the Company to stock;

(6) necessary acts by the Company to safeguard the corporate value and the interests of its shareholders;

(7) other circumstances as permitted by laws and administrative regulations.

Where the Company acquires its shares on account of the circumstances (1) or (2) provided in the preceding paragraph, a resolution shall be put forward to the shareholders' general meeting; where the Company acquires shares of the Company on account of the circumstances (3), (5) or (6) provided in the preceding paragraph, a resolution may, in accordance with the authorization of the shareholders' general meeting, be put forward to the board meeting which two-thirds of the directors are present.

Subsequent to the Company's acquisition of its shares in accordance with the first paragraph of this Article, where the case falls within circumstance (1), the shares shall be cancelled within ten (10) days from the date of the acquisition; where the case falls within circumstance (2) or (4), the shares shall be transferred or cancelled within six (6) months;

where the case falls within circumstance (3), (5) or (6), the number of shares of the Company that the Company held in aggregate shall not exceed 10% of the total number of issued shares of the Company, and shall be transferred or cancelled within three (3) years.

Where the Company acquires shares of the Company, the obligation of disclosure shall be performed in accordance with requirements of relevant laws and regulations. Where the Company acquires shares of the Company on account of the circumstances (3), (5) or (6) provided in the first paragraph of this Article, such acquisition shall be conducted by way of public and centralized transaction.

The Company shall not accept any pledge of its shares.

~~**Article 29 The Company may, with the approval of the relevant governing authority of the State for repurchasing its shares, conduct the repurchase in one of the following manners:**~~

~~**(1) to make an offer of repurchase to all of its shareholders at the same proportion;**~~

~~**(2) to repurchase shares through public trading on a stock exchange;**~~

~~**(3) to repurchase through an off-market agreement.**~~

~~**Article 30 Where the Company repurchases its shares through an off-market agreement, it shall seek prior approval at general meeting in accordance with the Articles of Association. The Company may release or amend a contract so entered into by the Company or waive its rights thereunder with prior approval at general meeting obtained in the same manner.**~~

~~**The contract to repurchase shares as referred to in the above paragraph includes, but not limited to, an agreement to become obliged to repurchase or to acquire the right to repurchase shares.**~~

~~**The Company shall not assign a contract for repurchasing its shares or any of its right thereunder.**~~

~~**Article 31 Shares repurchased in accordance with the laws by the Company shall be cancelled within the period prescribed by laws and administrative regulations, and the Company shall apply to the original company registration authority for registration of the change of its registered capital.**~~

~~The amount of the Company's registered capital shall be reduced by the aggregate par value of these cancelled shares.~~

~~Article 32 Unless the Company is in the course of liquidation, it must comply with the following provisions in respect of repurchase of its outstanding shares:~~

~~(1) where the Company repurchases its shares at par value, payment shall be made out of book balance of the distributable profits of the Company or out of proceeds of a fresh issue of shares made for that purpose;~~

~~(2) where the Company repurchases its shares at a premium to their par value, payment up to the par value shall be made out of the book balance of distributable profits of the Company or out of the proceeds of a fresh issue of shares made for that purpose. Payment of the portion in excess of the par value shall be effected as follows:~~

~~(i) if the shares being repurchased were issued at par value, payment shall be made out of the book balance of the distributable profits of the Company;~~

~~(ii) if the shares being repurchased were issued at a premium to their par value, payment shall be made out of the book balance of the distributable profits of the Company or out of the proceeds of a fresh issue of shares made for that purpose, provided that the amount paid out of the proceeds of the fresh issue shall not exceed the aggregate of premiums received by the Company on the issue of the shares repurchased nor the current amount of the Company's capital reserve account (including the premiums on the fresh issue);~~

~~(3) payment by the Company in consideration of the following shall be made out of the Company's distributable profits:~~

~~(i) acquisition of rights to repurchase shares of the Company;~~

~~(ii) variation of any contract for repurchasing shares of the Company;~~

~~(iii) release of its obligation under any contract for repurchasing its shares;~~

~~(4) after the Company's registered capital has been reduced by the total par value of the cancelled shares in accordance with the relevant provisions, the amount deducted from the distributable profits of the Company for payment of the par value portion of the shares repurchased shall be transferred to the Company's capital reserve account.~~

CHAPTER 5 FINANCIAL ASSISTANCE FOR ACQUISITION OF THE COMPANY'S SHARES

~~Article 33 The Company or its subsidiaries shall not, by any means at any time, provide any kind of financial assistance to a person who is acquiring or is proposing to acquire shares of the Company. The said acquirer of shares of the Company includes a person who directly or indirectly assumes any obligations due to the acquisition of shares of the Company.~~

~~The Company or its subsidiaries shall not, by any means, at any time, provide financial assistance to the said acquirer for the purpose of reducing or discharging the obligations assumed by that person.~~

~~This provision does not apply to the circumstances stated in Article 35.~~

~~Article 34 The financial assistance referred to in this Chapter includes, (without limitation), the following means:~~

~~(1) gift;~~

~~(2) guarantee (including the assumption of liability by the guarantor or the provision of assets by the guarantor to secure the performance of obligations by the obligor), or compensation (other than compensation in respect of the Company's own default) or release or waiver of any rights;~~

~~(3) provision of loan or any other agreement under which the obligations of the Company are to be fulfilled before the obligations of another party, or a change in the parties to, or the transfer of rights arising under, such loan or agreement;~~

~~(4) any other form of financial assistance given by the Company when the Company is insolvent or has no net assets or when its net assets would thereby be reduced to a material extent.~~

~~The expression "assuming an obligation" referred to in this Chapter includes the assumption of obligations by the changing of the obligor's financial position by way of entering into of a contract or making of an arrangement (whether such contract or arrangement is enforceable or not, or is made on its own account or with any other persons), or by any other means.~~

~~Article 35 The following activities shall not be deemed to be activities as prohibited in Article 33:~~

~~(1) the provision of financial assistance by the Company where the financial assistance is given in good faith in the interest of the Company, and the principal purpose of providing the financial assistance is not for the acquisition of shares of the Company, or the providing financial assistance is an incidental part of a master plan of the Company;~~

~~(2) the lawful distribution of the Company's assets by way of dividend;~~

~~(3) the allotment of bonus shares as dividends;~~

~~(4) a reduction of registered capital, a repurchase of shares or a reorganization of the shareholding structure of the Company effected in accordance with the Articles of Association;~~

~~(5) the lending of money by the Company in the ordinary and usual course of business and within its business scope (provided that the net assets of the Company are not thereby reduced or that, to the extent that the assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company);~~

~~(6) the provision of money by the Company for contributions to staff and workers' share schemes (provided that the net assets of the Company are not thereby reduced or that, to the extent that the net assets are thereby reduced, the financial assistance is provided out of the distributable profits of the Company).~~

Article 27 **The Company shall not provide gift, loan, guarantee, or other financial assistance to others to acquire the shares of the Company or its parent company, except when the Company implements the employee share scheme.**

For the benefit of the Company, the Company may provide financial assistance to others to acquire the shares of the Company or its parent company subject to the resolution in shareholders' general meeting, or the resolution of the Board of Directors in accordance with

the Articles of Association or the authorization of the shareholders' general meeting, provided that the cumulative total amount of the financial assistance shall not exceed 10% of the total share capital in issue. Resolutions of the Board of Directors shall be approved by more than two-thirds of all Directors.

If the requirements of the preceding two paragraphs are violated and the Company suffers losses as a result thereof, the directors and senior management in charge shall be liable to compensate the Company.

CHAPTER 6 SHARE CERTIFICATES AND REGISTER OF MEMBERS

Article 28 Shares of the Company shall be in the form of share certificates. Share certificates are certificates issued by the Company evidencing the shares held by the shareholders.

Article ~~36~~**29** ~~**Share certificates of the Company shall be in registered form.**~~ **Share certificates issued by the Company are registered share certificates.**

In addition to those provided in the Company Law, a share certificate of the Company shall also contain other items required to be specified by the stock exchange(s) on which the shares of the Company are listed.

~~**Article 37 The share certificates shall be signed by the Chairman. The share certificates shall also be signed by other senior management if the stock exchange on which the shares of the Company are listed requires so. The signatures of the Chairman or other relevant senior management of the Company on the share certificates may also be in printed form.**~~

Article ~~38~~**30** The Company shall ~~**maintain**~~ **prepare** a register of members **and maintain it at the Company** which shall contain the following particulars:

(1) the name, address (domicile)~~**, occupation or nature of each shareholder**~~;

(2) ~~**the class and number of shares held by each shareholder**~~ **the class and number of shares subscribed by each shareholder**;

(3) ~~**the amount paid-up or payable in respect of shares held by each shareholder**~~ **for share certificates in paper form, the serial numbers of share certificates**;

(4) ~~the serial numbers of the shares held by each shareholder;~~ **the date on which each shareholder acquires the shares.**

~~**(5) the date on which a person registers as a shareholder;**~~

~~**(6) the date on which a person ceases to be a shareholder.**~~

The register of members shall be sufficient evidence of the holding of the Company's shares by a shareholder, unless there is evidence to the contrary.

~~**Article 39 The Company may, in accordance with the mutual understanding and agreements made between China Securities Regulatory Commission and overseas securities regulatory authorities, maintain its register of members of overseas-listed shares outside the PRC and appoint overseas agent(s) to manage such register. The Company shall maintain a copy of the register of members of overseas listed shares at the Company's domicile; the appointed overseas agent(s) shall ensure the consistency between the original and the copy of the register of members of overseas-listed shares at all times.**~~

~~**If there is any inconsistency between the original and the copy of the register of members of overseas-listed shares, the original version shall prevail.**~~

~~**Article 40 The Company shall maintain a complete register of members.**~~

~~**The register of members shall include the following:**~~

~~**(1) the register of members maintained at the Company's domicile (other than those described in items (2) and (3) of this Article);**~~

~~**(2) in respect of the register of members of overseas-listed shares, the original register of members of shares listed in the Hong Kong Stock Exchange shall be maintained in Hong Kong;**~~

~~**(3) the register of members maintained at such other place as the Board may consider necessary for the purpose of listing of the Company's shares.**~~

~~**Article 41 Different parts of the register of members shall not overlap one another. No transfer of the shares registered in any part of the register shall, during the existence of that registration, be registered in any other part of the register of members.**~~

~~**Amendment or rectification of each part of the register of members shall be made in accordance with the laws of the place where that part of the register of members is maintained.**~~

Article ~~42~~**31** Where laws, regulations and competent securities regulatory authorities where the shares of the Company are listed stipulate the period of closure of the register of shareholders before the date of a shareholders' general meeting or before the record date for the Company's distribution of dividends, such provisions shall prevail. In addition, subject to such regulations as may from time to time be in force under the laws of Hong Kong, the Hong Kong branch register of members may be closed for such period as the Board may determine.

Article ~~43~~**32** When the Company intends to convene a general meeting, distribute dividends, liquidate and engage in other activities that involve determination of shareholdings, the Board shall decide on a date for the determination of rights attaching to shares in the Company. Shareholders whose names appear in the register of members at the end of such date are shareholders of the Company.

~~**Article 44 Any person who objects to the register of members and requests to have his name entered in or removed from the register of members may apply to a court of competent jurisdiction for rectification of the register.**~~

~~**Article 45 Any shareholder who is registered in, or any person who requests to have his name entered in, the register of members may (if his share certificates (the "original certificates") are lost) apply to the Company for a replacement share certificate in respect of such shares (the "relevant shares").**~~

~~**If a holder of domestic shares loses his share certificates and applies for their replacement, it shall be dealt with in accordance with the provisions of Article 143 of the Company Law.**~~

~~**If a holder of overseas-listed shares loses his share certificates and applies for their replacements, it may be dealt with in accordance with the relevant laws, the rules of the stock exchange or other relevant regulations of the place where the original register of members of overseas-listed shares is maintained.**~~

~~The issue of replacement share certificates to holders of shares listed in Hong Kong shall comply with the following requirements:~~

~~(1) The applicant shall submit an application to the Company in prescribed form accompanied by a notarial act or statutory declaration, containing the grounds upon which the application is made and the circumstances and evidence of the loss of the share certificates as well as declaring that no other person shall be entitled to request to be registered as the shareholder in respect of the relevant shares.~~

~~(2) No statement has been received by the Company from a person other than the applicant for having his name registered as a holder of the relevant shares before the Company came to a decision to issue the replacement share certificate.~~

~~(3) The Company shall, if it decides to issue a replacement share certificate to the applicant, make an announcement of its intention to issue the replacement share certificate in such newspapers designated by the Board. The announcement shall be made at least once every thirty (30) days in a period of ninety (90) days.~~

~~(4) The Company shall have, prior to the publication of its announcement of intention to issue a replacement certificate, delivered to the stock exchange on which its shares are listed a copy of the announcement to be published. The Company may publish the announcement upon receiving a confirmation from such stock exchange that the announcement has been exhibited at the premises of the stock exchange. The announcement shall be exhibited at the premises of the stock exchange for a period of ninety (90) days.~~

~~In case an application to issue a replacement share certificate has been made without the consent of the registered holder of the relevant shares, the Company shall send by post to such registered shareholder a copy of the announcement to be published.~~

~~(5) If, upon expiration of the 90-day period referred to in items (3) and (4) of this Article, the Company has not received from any person any objection to such application, the Company may issue a replacement share certificate to the applicant according to his application.~~

~~(6) Where the Company issues a replacement share certificate under this Article, it shall forthwith cancel the original certificate and enter the cancellation and issue in the register of members accordingly.~~

~~(7) All expenses relating to the cancellation of an original share certificate and the issue of a replacement share certificate by the Company shall be borne by the applicant. The Company may refuse to take any action until a reasonable guarantee is provided by the applicant for such expenses.~~

~~Article 46 Where the Company issues a replacement share certificate pursuant to the Articles of Association, the name of a bona fide purchaser who obtains the aforementioned new share certificate or a shareholder who thereafter registers as the owner of such shares (in the case that he is a bona fide purchaser) shall not be removed from the register of members.~~

~~Article 47 The Company shall not be liable for any damages sustained by any person by reason of the cancellation of the original certificate or the issuance of the replacement certificate, unless the claimant proves that the Company had acted fraudulently.~~

CHAPTER 7 SHAREHOLDERS' RIGHTS AND OBLIGATIONS

Article ~~48~~**33** A shareholder of the Company is a person who lawfully holds shares of the Company and whose name is entered in the register of members.

A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class and number of shares he/she holds. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations.

Article ~~49~~**34** The ordinary shareholders of the Company shall be entitled to the following rights:

(1) the right to dividends and other distributions in proportion to the number of shares held;

(2) the right to attend or appoint a proxy to attend **shareholders'** general meetings and to exercise the voting right;

(3) the right ~~to supervise and manage the business activities of the Company and~~ to put forward proposals and raise inquiries **in respect of the operation of the Company**;

(4) the right to transfer shares in accordance with the laws, administrative regulations and provisions of the Articles of Association;

(5) the right to obtain relevant information in accordance with the provisions of the Articles of Association, including: **inspecting and making copy of the Articles of Association, the register of members, minutes of shareholders' general meetings, resolutions of board meetings and financial accounting report.**

~~**1. to obtain a copy of the Articles of Association, subject to payment of the cost of such copy;**~~

~~**2. to inspect and copy, subject to payment of a reasonable charge:**~~

~~**(i) all parts of the register of members;**~~

~~**(ii) personal particulars of each of the Company's Directors, supervisors, general managers and other senior management, including:**~~

~~**(a) present name and alias and any former name and alias;**~~

~~**(b) principal address (domicile);**~~

~~**(c) nationality;**~~

~~**(d) primary and all other part-time occupations;**~~

~~**(e) identification document and its number;**~~

~~**(iii) report on the state of the Company's share capital;**~~

~~**(iv) reports showing the aggregate par value, quantity, maximum and minimum price paid in respect of each class of shares repurchased by the Company since the end of the last accounting year and the aggregate amount incurred by the Company for this purpose;**~~

~~**(v) minutes of general meetings.**~~

Where a shareholder who separately or collectively holds more than 3% of shares of the Company for more than 180 consecutive days requests to inspect the accounting books and vouchers of the Company, he/she shall submit a written request to the Company stating the purpose. Where the Company has reasonable grounds to believe that the shareholder's inspection of the accounting books and vouchers is for an improper purpose that may harm the legitimate interests of the

Company, it may refuse to provide access for inspection, and shall reply to the shareholder in writing within fifteen (15) days from the date of the shareholder's written request, stating the reasons therefor. Where the Company refuses to provide access for inspection, the shareholder may file a lawsuit with the People's Court.

Shareholders may appoint an accounting firm, a law firm or other intermediaries to inspect the materials specified in the preceding paragraph. The Shareholders and the appointed accounting firms, law firms or other intermediaries shall comply with requirements of relevant laws and administrative regulations relating to the protection of state secrets, commercial secrets, personal privacy and personal information when they inspect the materials and make copy thereof.

The requirements in the preceding two paragraphs are applicable to shareholders who request to inspect or make copy of relevant materials of the Company's wholly owned subsidiary.

(6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the number of shares held;

(7) other rights conferred by laws, administrative regulations and the Articles of Association.

Article ~~50~~**35** The ordinary shareholders of the Company shall assume the following obligations:

(1) To comply with the Articles of Association;

(2) To pay subscription monies according to the number of shares subscribed and the method of subscription;

(3) Other obligations imposed by laws, administrative regulations and the Articles of Association.

Shareholders are not obliged to make any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.

Article ~~51~~36 In addition to obligations imposed by laws, administrative regulations or required by the listing rules of the stock exchange(s) on which shares of the Company are listed, a controlling shareholder **or de facto controllers** ~~**shall not make any decision on the following matters to jeopardize the interests of all or some of the shareholders of the Company as a result of exercising his voting rights**~~ **shall not jeopardize the interests of the Company by its connected relationship when exercising their rights as shareholders, if the abovementioned requirement is violated and the Company suffers losses as a result thereof, they shall be liable to compensate the Company**.

Controlling shareholders or de facto controllers of the Company who instruct directors or senior management to take actions jeopardizing the Company's or shareholders' interests, they shall have joint liability with such directors or senior management.

~~**(1) to waive the obligation of a Director or supervisor to act in good faith to the best interests of the Company;**~~

~~**(2) to approve the deprivation by a Director or supervisor (for his own or others' benefits), by any means, of the Company's assets, including (but not limited to) any opportunity beneficial to the Company;**~~

~~**(3) to approve the deprivation by a Director or supervisor (for his own or others' benefits) of the personal rights or interests of other shareholders, including (but not limited to) rights to receive distributions and voting rights save for corporate restructuring of the Company submitted to the general meeting for approval in accordance herewith.**~~

~~**Article 52 The term "controlling shareholder" mentioned in the preceding article refers to a person who satisfies any one of the following conditions:**~~

~~**(1) a person who, acting alone or in concert with others, has the power to elect more than half of the Board of Directors;**~~

~~**(2) a person who, acting alone or in concert with others, has the power to exercise or to control the exercise of 30% or more of the voting rights in the Company;**~~

~~**(3) a person who, acting alone or in concert with others, holds 30% or more of the issued and outstanding shares of the Company;**~~

~~**(4) a person who, acting alone or in concert with others, has de facto control of the Company in any other way.**~~

Article 37 The term "controlling shareholder" mentioned in this Articles of Association refers to shareholder who holds more than 50% of the Company's share capital or shares; or shareholder whose share proportion is less than 50% of the Company's share capital but whose voting rights have significant influence on the resolution of the shareholders' general meeting.

A de facto controller refers to the person who is able to exercise control over the acts of the Company through an investment relationship, agreement or other arrangements.

Connected relationship refers to the relationship between the controlling shareholders, de facto controllers, directors, senior management and enterprises under their direct or indirect control, and any other relationship that may lead to the transfer of the Company's interests. However, relationship between state-owned enterprises shall not be deemed as connected relationship solely because they are under common control of the government. Where the Listing Rules provided other requirements to connected relationship, the Listing Rules shall prevail.

CHAPTER 8 SHAREHOLDERS' GENERAL MEETINGS

Article ~~53~~38 The shareholders' general meeting is the authority of the Company and shall exercise its duties and powers in accordance with laws.

Article ~~54~~39 The shareholders' general meeting may exercise the following duties and powers:

~~**(1) to decide on the operation policies and investment plans of the Company;**~~

(~~2~~1) to elect and replace Directors and decide on matters relating to the remuneration of Directors;

~~**(3) to elect and replace the supervisors who are representatives of shareholders and decide on matters relating to the remuneration of such supervisors;**~~

(42) to consider and approve reports of the Board;

~~**(5) to consider and approve reports of the Supervisory Committee;**~~

~~**(6) to consider and approve the annual budgets and final account proposals of the Company;**~~

(~~7~~3) to consider and approve the profit distribution plans and loss recovery plans;

(~~8~~4) to make resolutions on increase or reduction in the registered capital of the Company;

(~~9~~5) to make resolutions on matters such as merger, division, dissolution, liquidation or change of the form of the Company;

(~~10~~6)to make resolutions on the issuance of bonds of the Company;

(~~11~~7)to make resolutions on the appointment, dismissal or non-reappointment of external auditors and its remuneration by the Company;

(~~12~~8)to amend the Articles of Association;

(~~13~~9) to consider the motions submitted by shareholders individually or in aggregate holding ~~3%~~**1%** or more of the voting shares of the Company**, except for those motions that violate the provisions of laws, administrative regulations or the Articles of Association, or do not fall within the scope of terms of reference of the shareholders' general meeting**;

(~~14~~10)other matters to be resolved by the shareholders' general meetings as required by laws, administrative regulations and the Articles of Association.

The shareholders' general meeting may authorize the Board of Directors to make resolutions regarding issuance of the Company's bonds.

~~**Article 55 Unless a prior approval is obtained at a shareholders' general meeting, the Company shall not enter into any contract with any person other than the Directors, supervisors, general manager and other senior management for handing over the management of the whole or any substantial part of the Company's business to that person.**~~

Article ~~56~~**40** General meetings shall include annual general meetings and extraordinary general meetings. A general meeting shall be convened by the Board. The annual general meetings shall be held once every financial year within six months after the end of the previous fiscal year.

The Board shall hold an extraordinary general meeting within two months upon the occurrence of any of the following circumstances:

(1) the number of Directors is below the required number as prescribed by the Company Law or less than two-thirds of the required number hereunder;

(2) the uncovered losses are in excess of one third of the total share capital of the Company;

(3) ~~**shareholders holding 10% or more of the Company's issued shares with voting rights request in writing to hold an extraordinary general meeting**~~ **shareholders either individually or jointly holding 10% or more of the Company's shares request for a meeting**;

(4) the Board considers it necessary or ~~**the Supervisory Committee proposes**~~ **the audit committee of the Board (also referred as the "Audit Committee", the meanings ascribed to the audit committee of the Board and Audit Committee in this Articles of Association are equivalent) proposes** convening such a meeting;

(5) other circumstances provided in the Articles of Association.

Article ~~57~~**41** To convene an annual general meeting, the Company shall notify the shareholders of the time, venue and matters to be considered **by means of announcement** twenty-one (21) days prior to the meeting; and the Company shall notify the shareholders **by means of announcement** fifteen (15) days prior to an extraordinary general meeting. When calculating the period for issuing the notice, the date of the meeting shall be excluded. Where laws, regulations and competent securities regulatory authorities where the shares of the Company are listed otherwise stipulate, such provisions shall prevail.

Article ~~58~~**42** When the Company convenes a general meeting, shareholder(s) holding, individually or in aggregate, ~~**3%**~~**1%** or more of the total voting shares of the Company shall have the right to propose and submit in writing to the Board interim proposals ten (10) days prior to convening the **shareholders'** general meeting. The Board shall notify other shareholders **by means of announcement** within two (2) days of receipt of such proposals and submit such proposal for consideration and approval at the **shareholders'** general meeting**; except for interim proposals that violate the provisions of laws, administrative regulations or the Articles of Association, or do not fall within the scope of terms of reference of the shareholders' general meeting**. The contents of an interim proposal shall fall within the terms of reference of the **shareholders'** general meetings and shall contain definite subject and specific matters to be decided. **The Company shall not increase the shareholding of shareholders who submit interim proposals.**

Article ~~59~~**43** Matters which are not included in the notices set out in Articles ~~**57**~~**42** and ~~**58**~~**44** of this Articles of Association shall not be resolved at the shareholders' general meeting.

Article ~~60~~44 A notice of the **shareholders'** general meeting shall meet the following requirements:

(1) it shall be given in writing;

(2) it shall specify the venue, date and time of the meeting;

(3) it shall state the matters to be considered at the meeting;

(4) it shall provide shareholders with required information and explanations to enable the shareholders to make sensible decisions on the matters considered~~.~~**;** ~~**This policy shall include (but not limited to) the provision of specific conditions and contracts (if any) for a contemplated transaction at the time when the Company proposes a merger, buyback of shares, reorganization of share capital or other restructuring, as well as reasonable explanation for the causes and consequences thereof;**~~

(5) in the event that any of the Directors~~**, supervisors**~~, general manager or other senior management has material interests in the matters to be considered, the nature and extent of such interests at stake shall be disclosed. In the event that the impact of the matters to be considered on the Directors~~**, supervisors**~~, president and other senior management as shareholders is different from that on the other shareholders of the same class, the difference shall be explained;

(6) it shall contain the full text of any special resolution to be proposed at the meeting;

(7) it shall explain in clear text that a shareholder entitled to attend and vote at such meeting has the right to appoint one or more proxies to attend and vote at such meeting on his behalf. A proxy need not be a shareholder;

(8) it shall specify the time and place for lodging proxy forms for the relevant meeting.

Article ~~61~~45 The notice of general meeting, information or explanatory statement shall be served to the shareholders and delivered by any of the following means:

(1) by personal delivery or by mail to the registered address of each of such holders of overseas listed shares;

(2) posting on the Company's website or the website designated by the stock exchange where shares of the Company are listed according to applicable laws, administrative regulations and the relevant listing rules; or

(3) any other means acceptable to the stock exchange where shares of the Company are listed.

For ~~**domestic**~~ shareholders **holding domestic unlisted shares**, the notice of **shareholders'** general meeting may also be issued by means of announcement.

Article ~~**62**~~**46** The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions passed at the meeting.

~~**Article 63 A shareholder may appoint a proxy who need not be a shareholder of the Company. In the case of a corporation, a proxy may be appointed to attend and vote any general meeting of the Company, and such corporation shall be deemed to be present in person at any such meeting if a proxy so authorized is present thereat. A corporation may execute a form of proxy under the hand of a duly authorized officer. The proxy so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:**~~

~~**(1) the right which the shareholder has to speak at the general meeting;**~~

~~**(2) the right to demand a poll alone or jointly with others;**~~

~~**(3) the right to exercise voting rights on a show of hands or on a poll, except when a shareholder is required by the Listing Rules to abstain from voting on a particular resolution.**~~

~~**Article 64 A proxy must be appointed in writing and the appointing instrument must be signed by the shareholder or his attorney duly authorized in writing and, if the shareholder is a corporate, be affixed with the common seal or signed by its director or attorney duly authorized in writing.**~~

Article 47 A shareholder who appoints a proxy to attend shareholders' general meeting shall specify the matters in which the proxy will act, the authority, and the period; the proxy shall submit the shareholder's proxy form to the Company and exercise the voting rights within the scope of the proxy form.

Article **6548** ~~**Proxy forms shall be lodged at the domicile of the Company or other places specified in the notice of meeting 24 hours before the relevant meeting for voting according to the proxy form, or 24 hours before the designated time of voting.**~~ If the proxy form is signed by a person under a power of attorney on behalf of the appointer, the power of attorney or other authorization documents authorized to be signed shall be notarized.

A notarially certified copy of that power of attorney or other authorization documents, together with the proxy form, shall be deposited at the domicile of the Company or other places specified in the notice of meeting.

Where the appointer is a legal person, its legal representative or other persons authorized by the resolutions of the Board or other decision-making organ to act as its representatives may attend the **shareholders'** general meeting of the Company as a representative of the appointer.

Article **6649** A shareholder of the Company may authorise such person as he/she may deem as fit to act as his/her proxy at any meeting of the Company ~~**or at any meeting of any class of shareholders of the Company**~~. If more than one person is so authorised, the proxy form shall specify the class and number of shares in respect of which the authorisation is granted. The above authorised person is entitled to exercise ~~**power**~~ **rights** on behalf of the shareholder.

If the shareholder is a recognised clearing house as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), such shareholder may authorise one or more person as it may think fit to act as its proxy at any **shareholders'** general meeting ~~**or any meeting of any class of shareholders**~~ and meeting of creditors, provided that if more than one person is so authorised, the proxy form shall specify the number and class of shares in respect of which the authorisation is granted to each such person. The persons so authorised may exercise the rights of the recognised clearing house on behalf of the recognized clearing house (or its "**agent**") as if such persons were individual shareholders of the Company.

~~**Article 67 Should the authorizing person pass away, become incapacitated, withdraw the authorization of proxies, withdraw the authorization to sign the authorization letter or the relevant shares have been transferred before voting, as long as the Company has not received written notification on the abovementioned events prior to the meeting, votes cast by their proxies according to the authorization letter remain effective.**~~

Article **6850** The resolutions of the **shareholders'** general meeting shall be classified as ordinary resolutions and special resolutions.

Ordinary resolutions put forward in the **shareholders'** general meeting shall be passed by ~~**one-half**~~ **over half** of the shareholders (including their proxies) with voting rights attending the meeting.

Special resolutions put forward in the **shareholders'** general meeting shall be adopted by not less than two-thirds of the shareholders (including their proxies) with voting rights attending the meeting.

Article ~~**69**~~**51** A shareholder (including proxy) when voting at a shareholders' general meeting may exercise voting rights in accordance with the number of shares carrying the right to vote and each share shall have one vote. **The shares of the Company held by the Company carry no voting rights.**

If any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for (or only against) any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

~~**Article 70 At any general meeting, a resolution shall be decided on a show of hands unless a poll is demanded by the following persons before or after deciding on a show of hands:**~~

~~**(1) the chairman of the meeting;**~~

~~**(2) at least two shareholders entitled to vote in person or proxies with voting rights;**~~

~~**(3) one or more shareholders (including proxies) separately or jointly representing more than 10% (including 10%) of all shares carrying voting rights at the meeting.**~~

~~**Unless a poll is so demanded, a declaration by the chairman of the meeting that a resolution has on a show of hands been carried, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution at the meeting.**~~

~~**The demand for a poll may be withdrawn by the person who makes such demand.**~~

~~**Article 71 A poll demanded on such matters as the election of chairman or the termination of the meeting shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman may decide, and the meeting may proceed to discuss other matters, while the results of the poll shall still be deemed to be a resolution of that meeting.**~~

~~**Article 72 On a poll taken at a meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his votes for or against in the same way.**~~

~~**If any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for (or only against) any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.**~~

~~**Article 73 In the case of an equality of votes, whether it is by show of hands or a poll, the chairman of the meeting shall be entitled to an additional vote.**~~

Article ~~74~~**52** The following matters shall be approved by ordinary resolutions of a shareholders' general meeting:

(1) work reports of the board of Directors ~~**and the Supervisory Committee**~~;

(2) plans formulated by the board of Directors for profit distribution and making up losses;

(3) **appointment or** removal of the members of the Board ~~**and the members of the Supervisory Committee**~~, and determination of their emoluments and method of payment;

(4) ~~**annual financial budgets, audited accounts, balance sheets and profit and loss accounts and other financial statements of the Company**~~ **annual reports of the Company**;

(5) other matters unless otherwise required to be adopted as special resolutions in accordance with the applicable laws and administrative regulations or the Articles of Association.

Article ~~75~~**53** The following resolutions shall be adopted as special resolutions at a General Meeting:

(1) ~~**increase or decrease of registered capital and issuance of shares of any class, warrants and other similar securities of the Company**~~ **increase or decrease of registered capital of the Company**;

(2) issuance of debentures of the Company;

(3) division, merger, dissolution~~**, liquidation and**~~ **or** change of the form of the Company;

(4) amendments to the Articles of Association;

(5) ~~**any other matters considered by the shareholders' general meeting, by way of an ordinary resolution, which have a substantial impact on the Company and require approval by a special resolution.**~~ **purchase or disposal of material assets or provision of guarantee by the Company of a value exceeding 30% of the Company's total assets within one year**;

(6) any other matters which shall be approved by way of a special resolution as required by laws, administrative regulations or this Article.

Article ~~**76**~~**54** ~~**The extraordinary general meeting or class meetings shall be convened by the shareholders in accordance with the following procedures:**~~ **Shareholder(s) who individually or in aggregate hold more than 10% of the shares may request to convene an extraordinary general meeting, the Board of Directors shall determine whether an extraordinary general meeting shall be convened within ten (10) days upon the receipt of such request, and reply the shareholders in writing.**

~~**(1) Shareholder(s) who in aggregate hold more than 10% (including 10%) of the shares with voting power at such meeting may sign one or more written request in the same format and content to the Board of Directors for the convening of the extraordinary general meeting or class meetings and clarify the agenda of such meeting. Upon the receipt of such request, the Board of Directors shall convene the extraordinary general meeting or class meetings as soon as possible. The number of shares held as mentioned above shall be based on the date of the submission of the request of the shareholders.**~~

~~**(2) If the Board of Directors has failed to issue the notice of meeting within 30 days of the submission of such written request, the shareholders submitting such request may convene such meeting on their own within four months after the receipt by the**~~

~~**Board of Directors of such request, and the rules of procedures of such meeting shall be substantially the same as those of the of shareholders' general meetings convened by the Board of Directors.**~~

The cost incurred by the shareholders as a result of the failure of the Board of Directors to convene such meeting as requested above shall be borne by the Company ~~**and deducted from the amount payable to Directors who neglect their duties**~~.

~~**Article 77 The General Meeting shall be convened and presided by the chairman of the Board; where the chairman of the Board is unable to attend the meeting, it shall be convened and presided by the vice chairman (if any) of the Board; where both chairman and vice chairman (if any) of the Board are unable to attend the meeting, the Board may appoint a director to convene and preside the meeting; where chairman of the meeting is not appointed, the shareholders attend the meeting may elect one person to preside as chairman of the meeting; where the shareholders fail to elect chairman of the meeting for any reason, the shareholder (including the proxy) attending the meeting holding the largest number of shares carrying voting rights shall preside as chairman of the meeting.**~~

Article 55 The shareholders' general meeting shall be convened by the Board of Directors and presided by the chairman of the Board; where the chairman of the Board is unable to perform or fails to perform his/her duties, it shall be presided by the vice chairman (if any) of the Board; where the vice chairman (if any) of the Board is unable to perform or fails to perform his/her duties, it may be presided by one Director collectively elected by over half of the Directors.

Where the Board of Directors is unable to perform or fails to perform its duty to convene a shareholders' general meeting, the audit committee of the Board of Directors shall convene and preside it in a timely manner; where the audit committee of the Board of Directors fails to convene and preside a shareholders' general meeting, shareholders who, for more than ninety (90) consecutive days, individually or in aggregate holding more than 10% of the Company's shares may convene the meeting on their own.

~~**Article 78 The chairman of the meeting shall determine whether or not a resolution of the shareholders' general meeting shall be adopted. His decision shall be final and conclusive and shall be announced at the meeting and recorded in the minutes.**~~

Article ~~**79**~~**56** In the event that the ~~**chairman**~~ **presiding officer** of the meeting has any doubt as to the result of a resolution put forward to the vote, he may have the votes counted. In the event that the ~~**chairman**~~ **presiding officer** of the meeting fails to have the votes counted, any shareholder present in person or by proxy objects to the result announced by the ~~**chairman**~~

presiding officer of the meeting may demand that the votes be counted immediately after the declaration of the voting result, the ~~**chairman**~~ **presiding officer** of the meeting shall have the votes counted immediately.

Article ~~**80**~~**57** In the event that the votes are counted at the shareholders' general meeting, the counting results shall be recorded in the minutes of the meeting.

The minutes of the meeting together with the attendance book for shareholders' signing and the proxy forms for proxies attending the meeting shall be kept at the domicile of the Company.

~~**Article 81 Copies of the minutes of the meeting shall be available to any shareholder without charge for inspection during business hours of the Company. If a shareholder demands from the Company a copy of such minutes, the Company shall send a copy to him within 7 days after receipt of reasonable charges.**~~

Article 58 The shareholders' general meeting shall record the resolutions passed as minutes of the meeting, the presiding officer and directors attending the meeting shall sign on the minutes of the meeting. The minutes of the meeting shall be kept together with the attendance book for shareholders' signing and the proxy forms for proxies attending the meeting.

~~**CHAPTER 9 SPECIAL PROCEDURES FOR VOTING BY A CLASS OF SHAREHOLDERS**~~

~~**Article 82 Shareholders holding different classes of shares shall be class shareholders.**~~

~~**Class shareholders shall be entitled to the rights and assume obligations pursuant to the provisions of the law, administrative regulations and the Articles of Association.**~~

~~**Article 83 Any variation or abrogation of the rights of any class of shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected shareholders of that class at a shareholders' meeting held in accordance with Articles 85 to 89 of the Articles of Association respectively.**~~

~~**Where any change in domestic and overseas laws, administrative regulations and overseas listing rules and any decision made by the domestic or overseas securities regulatory authority gives rise to variation or abrogation of the rights of class shareholders, approval by a shareholders' general meeting or class meeting is not required.**~~

~~The transfer by the Company's domestic shareholders of all or part of the domestic shares held thereby to foreign investors for listing and trading on overseas stock exchange(s) or the conversion of all or part of the domestic shares into overseas listed foreign shares for listing and trading on overseas stock exchange(s) shall not by deemed as the Company's intention to vary or abrogate the rights of any class shareholders.~~

~~Article 84 The following circumstances shall be deemed to be a variation or abrogation of the rights of shareholders of a certain class:~~

~~(1) to increase or decrease the number of shares of a particular class, or increase or decrease the number of shares of another class having rights on voting, distribution or other privileges equal or superior to those of the shares of such class;~~

~~(2) to effect an exchange of all or part of shares of such class into shares of other classes, or to effect an exchange or grant a right of exchange of all or part of the shares of other classes into shares of such class;~~

~~(3) to remove or reduce rights to accrued dividends or cumulative dividends attached to shares of such class;~~

~~(4) to reduce or remove the rights to a dividend preference or a liquidation preference to distribution of property attached to shares of such class;~~

~~(5) to add, remove or reduce the rights to conversion, options, voting, transfer, pre-emptive rights to placement and acquire securities of the Company attached to shares of such class;~~

~~(6) to remove or reduce rights to receive payment payable by the Company in particular currencies attached to shares of such class;~~

~~(7) to create a new class of shares having rights on voting, distribution or other privileges equal or superior to those of the shares of such class;~~

~~(8) to restrict the transfer or ownership of the shares of such class or increase such restrictions;~~

~~(9) to issue subscription rights or share conversion rights for shares of such class or other classes;~~

~~(10) to increase the rights and privileges of shares of other classes;~~

~~(11) to restructure the Company where the proposed restructuring scheme will result in different classes of shareholders bearing a disproportionate burden of obligations of such restructuring;~~

~~(12) to vary or abrogate the terms provided in this chapter.~~

~~Article 85 Shareholders of the affected share class, whether or not having the right to vote at the general meeting, shall nevertheless have the right to vote at class meetings on matters referred to in clause (2) to (8) and (11) to (12) of Article 84 of the Articles of Association, but interested shareholders shall not be entitled to vote at class meetings.~~

~~The interested shareholders mentioned in the preceding paragraph shall have the following meanings:~~

~~(1) in the case of a repurchase of its own shares by the Company by making offers to all shareholders on a same pro rata basis or through public dealing on a stock exchange in accordance with Article 29 of the Articles of Association, "interested shareholder" shall refer to the controlling shareholders as defined in Article 52 of the Articles of Association;~~

~~(2) in the case of a repurchase of its own shares by the Company through an off-market agreement in accordance with the provisions of Article 29 of the Articles of Association, "interested shareholders" shall refer to the shareholders to which the proposed agreement relates;~~

~~(3) in the case of a restructuring of the Company, "interested shareholder" shall refer to a shareholder within a class who bears liabilities less than the proportion burden imposed on other shareholders of that class or who has interests different from those held by shareholders of the same class.~~

~~Article 86 A resolution of the class meeting shall be passed in accordance with Article 85 of the Articles of Association by shareholders present in the meeting representing not less than two-thirds of voting rights.~~

~~Article 87 Written notice of a class meeting convened by the Company shall be dispatched according to the requirements of the Article 57 of this Articles of Association to all shareholders of such class whose names appear on the register of members, specifying the matters to be considered and the date and place of the meeting.~~

~~**Article 88 Notices of the class meeting only need to be served on shareholders entitled to vote thereat.**~~

~~**The procedures for holding the class meeting shall be similar to those for holding the general meeting as far as possible, and the provisions in the Articles of Association relating to the procedures for a general meeting shall apply to the class meeting.**~~

~~**Article 89 Save for shareholders of shares of other classes, the holders of non-overseas listed domestic shares and holders of overseas-listed shares are deemed to be different classes of shareholders.**~~

~~**The special procedures for voting by class shareholders shall not apply in the following circumstances: (1) where the Company issues, upon approval by a special resolution at a general meeting, non-overseas listed shares and overseas-listed foreign shares once every twelve (12) months, either separately or concurrently, and the respective numbers of non-overseas listed shares and overseas-listed shares proposed to be issued do not exceed 20% of the respective numbers of the issued domestic shares and overseas-listed foreign shares; (2) where the Company's plan to issue non-overseas listed shares and overseas listed shares at the time of incorporation is carried out within fifteen (15) months from the date of approval by China Securities Regulatory Commission; (3) where, as approved by the China Securities Regulatory Commission, the holders of domestic shares of the Company transfer their domestic shares that are not listed on domestic or overseas stock exchange to foreign investors and such shares are listed and traded on overseas stock exchange.**~~

CHAPTER ~~10~~9 PARTY COMMITTEE

Article ~~90~~59 The Company shall establish the Communist Party Committee of Tong Ren Tang Technologies Co. Ltd. (the "**Party Committee**") and Committee for Discipline Inspection of the Communist Party of Tong Ren Tang Technologies Co. Ltd. (the "**Discipline Committee**").

Article ~~91~~60 The Party Committee of the Company generally consists of ~~**seven**~~ **five** to nine members, including one secretary and **one to** two deputy secretaries (one of them is in charge of the Party development in the Company). Generally the Chairman shall also act as the Party Committee Secretary of the Company, and insist on **and improve** "two-way entry, cross-service" leadership mechanism. Eligible Party committee members may take seats in the Board of Directors~~**, the Board of Supervisors**~~ and the management through legal procedures. Eligible members of the Board of Directors~~**, the Board of Supervisors**~~ and the management who are Party members may take seats in the Party Committee of the Company in accordance with the relevant regulations and procedures. The Company's discipline committee is generally composed of three members, including a secretary.

The Party Committee of the Company implements a system integrating group leadership and division of labor, and the members of the leadership team of the Party organizations including the Board of Directors~~, the Supervisory Committee~~ and the management must carry out the decision made by the Party organizations.

Article ~~92~~61 The Party Committee of the Company shall exert its leadership to take the right direction, consider the overall situation and ensure effective implementation, and conduct discussion and decision-making on major corporate matters as required by regulations. Its primary responsibilities are as follows:

(1) to enhance the political building of the Party in the Company, adhere to and implement the fundamental system, basic system and important system of socialism with Chinese characteristics, as well as educate and guide all Party members to closely align with the Party Central Committee with Comrade Xi Jinping at its core in terms of the political stance, direction, principles and path;

(2) to thoroughly study and implement Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, learn and propagate the Party's theory, thoroughly implement the Party's route, principles and policies, as well as supervise and guarantee the implementation of major strategy deployments of the Party Central Committee and the resolutions of the Party organization at higher levels in the Company;

(3) to investigate and discuss the significant operation and management matters of the Company and support the general meetings, the Board of Directors~~, the Supervisory Committee~~ and the management to exercise their rights and perform their duties in accordance with the laws;

(4) to strengthen the leadership and gatekeeping role in the process of selection and appointment of personnel of the Company, and the building of the leading team, cadre and talents team of the Company;

(5) to undertake the main responsibility of improving Party conduct and upholding integrity, lead and support the internal discipline inspection organization to fulfill its supervisory and disciplining responsibilities as well as exercise stringent administrative discipline and political rules, promote Party self-governance in every aspect and with rigor into the primary level;

(6) to strengthen the building of primary-level Party organizations and of its contingent of Party members, give full play to the role of Party branches as strongholds and to the role of Party members as pioneers and fine examples, and unite and lead employees company-wide to devote themselves into the reform and development of the Company;

(7) to lead the Company's ideological and political work, the spirit and civilization progress, the United Front work and lead the Labor Union, Communist Youth League, Women's Organization and other mass organizations of the Company.

CHAPTER ~~11~~10 BOARD OF DIRECTORS

Article ~~93~~62 The Company sets a Board, which shall comprise ~~seven (7) to eleven (11)~~ **nine (9)** Directors, including one Chairman and may including vice chairman (chairmen). **The members of the Board of Directors shall comprise of one representative of employees.**

~~**Subject to the provisions of laws and without prejudice to any claim made under any contract, the shareholders are entitled to remove a Director (including managing Director or other executive Directors) by an ordinary resolution at a general meeting before expiration of his/her term of office.**~~ **The dismissal of directors may be resolved at the shareholders' general meetings with effect from the date such resolution was made. If a director is dismissed before the expiry of his/her term of office without justifiable reasons, he/she may claim compensation from the Company.**

The representative of employees on the Board of Directors is democratically elected by the Company's employees through the meeting of representatives of employees, such election need not be submitted to the shareholders' general meetings for consideration, and the term of office of the representative of employees shall be the same as other Directors. The representatives of employees may be dismissed by a resolution at the meeting of representatives of employees.

Article ~~94~~63 Directors shall be elected at **shareholders'** general meetings. The term of office of the Directors shall be three (3) years. Upon maturity of the current term of office, a Director shall be eligible to offer himself/herself for re-election and reappointment. **In the event of failure to timely call for re-election on the expiry of term of office of directors, or the number of the Directors on the Board being less than the quorum due to the resignation of a Director within his/her term, the original directors shall, prior to the assumption of office by re-elected directors, continue to perform their duties as directors in accordance with the provisions of laws, administrative regulations and the Articles of Association.** Any person appointed by the

Board to fill a casual vacancy on or as an addition to the Board shall hold office only until the first annual general meeting after his appointment, and shall then be eligible for re-election and re-appointment.

In the event of resignation of a Director, he/she shall notify the Company in writing, and the resignation shall take effect from the date upon the Company's receipt of such notice. However, under the circumstances specified in the preceding paragraph, the Director shall continue to perform his/her duties.

The Chairman and Vice Chairman (if any) of the Board shall be elected and removed by more than one-half of all Directors. The term of office of the Chairman and Vice Chairman (if any) shall be three (3) years, renewable upon re-election.

A Director is not required to hold any shares of the Company.

At the re-election of the Board of Directors, external directors shall account for ~~**more than half (1/2) of the numbers of the Board of Directors**~~ **majority**, and there shall be at least three independent Directors, at least one of whom shall have the professional qualification prescribed under the Listing Rules, or have the requisite expertise in accounting or related financial management. Opinions of the independent Directors shall be clearly stated in the resolutions of the Board.

Article ~~**95**~~**64** The Board shall perform the duties of developing strategies, making decisions and preventing risks, and report to the shareholders' general meeting and exercises the following powers:

(1) to convene **shareholders'** general meetings and report its work to the **shareholders'** general meeting;

(2) to implement the resolutions of **shareholders'** general meetings;

(3) to decide on the Company's business plans and investment plans;

~~(4) **to formulate the Company's plans on annual financial budgets and final accounts;**~~

(~~**5**~~**4**) to formulate the Company's profit distribution plans and plans on making up losses;

(~~**6**~~**5**) to formulate the proposals for increase or decrease of the registered capital of the Company and issue of bonds of the Company;

(~~7~~**6**) to formulate plans for merger, division and dissolution **or change of the form** of the Company;

(~~8~~**7**) to determine the establishment of the Company's internal management structure;

(~~9~~**8**) to **determine the appointment or removal of** ~~**appoint or remove**~~ the general manager of the Company and ~~**to appoint or remove**~~ the deputy general manager and financial officer and general legal counsel and secretary of the Board and chief quality officer and company secretary of the Company and to decide on their remunerations;

(~~10~~**9**)to formulate the basic management system of the Company;

(~~11~~**10**) to formulate proposals for amendment to the Articles of Association;

(~~12~~**11**) to determine the establishment of specific committees and to appoint and remove the relevant persons in charge;

(~~13~~**12**) to exercise other duties and powers provided by laws and regulations or these Articles of Association, as well as those conferred by the shareholders' general meeting.

Except for the Board resolutions in respect of the matters specified in subparagraphs (**6**~~**5**~~), (~~7~~**6**) and (~~11~~**10**) of this Article which shall be passed by not less than two-thirds of the Directors, the Board resolutions in respect of all other matters ~~**may be passed by the affirmative vote of a simple majority**~~ **shall be passed by over half** of the Directors. Any matter which belongs to major decision-makings, important personnel appointments and dismissals, or major project arrangements and large-sum capital operations is subject to the study and discussion by the Party organization before the Board and management make any decision.

~~**Article 96 In cases where the expected value of fixed assets proposed for disposal by the Board, when aggregated with value of fixed assets disposed within four (4) months before the proposed disposal, exceeds 33% of the fixed assets value set out in the latest balance sheet considered by the general meetings, the Board shall not dispose or consent to dispose such fixed assets without prior approval by the general meeting.**~~

~~**The term "fixed assets disposal" referred to in this Article represents (among other things) transferring certain interests in assets, but not including provision of guarantees by way of fixed assets.**~~

~~**The validity of transactions regarding fixed assets disposal by the Company shall not be affected due to a breach of the first paragraph of this Article.**~~

Article 65 Where a Director of the Company is related with the enterprises or individuals involved in the resolution at the Board meeting, he/she shall promptly report to the Board in writing. Such Director shall not exercise his/her voting rights on such resolution nor can he/she exercise any voting rights on behalf of other Directors. Such Board meeting may be held if it is quorated by over half of the non-related Directors. The resolutions of the board meeting shall be passed by more than one half of non-related Directors, and the resolutions at the Board meeting shall be passed by over half of the non-related Directors. If the number of non-related Directors attending the Board meeting is less than three (3), such matter shall be put forward to the shareholders' general meeting for consideration.

Article ~~97~~**66** The Chairman of the Board is entitled to the following duties and powers:

(1) to preside over **shareholders'** general meetings and to convene and preside over Board meetings;

(2) to check on the implementation of resolutions of the Board;

~~**(3) to sign the securities certificates issued by the Company;**~~

(**43**) to exercise other powers conferred by the Board.

~~**If the Chairman is unable to perform his/her duties and powers, the Vice Chairman, if any, shall perform the duties and powers on his/her behalf, or, if there be no such vice chairman, the Chairman of the Board may designate a Director to exercise the duties and powers on his/her behalf, or the Board may elect a Director to exercise the duties and powers of the Chairman of the Board.**~~ **The Vice Chairman shall assist the Chairman in his work. If the Chairman is unable to perform or fails to perform his/her duties, the Vice Chairman (if any), shall perform the duties, or, if there is no such Vice Chairman, or the Vice Chairman is unable to perform or fails to perform his/her duties, a Director elected jointly by over half of the Directors shall perform the duties.**

Article ~~98~~**67** Meetings of the Board shall be held at least four times every year and shall be convened by the Chairman of the Board. All of the Directors and supervisors shall be notified about the meeting fourteen (14) days beforehand. In case of emergency, an extraordinary Board meeting may be held if it is so requested by more than one-third of the Directors, the Chairman of the Board, shareholders aggregately holding more than one-tenth of voting shares, ~~**the Supervisory Committee**~~ **the audit committee of the Board** or the general manager of the Company. Extraordinary Board meeting must be convened when the Party Committee of the Company considers it as necessary. All Directors shall be notified about the extraordinary Board meeting within a reasonable time before the meeting. In case of emergency which requires an

extraordinary Board meeting to be held as soon as possible, notice of such meeting can be given by phone or any other verbal method, provided that the convener makes an explanation thereof at the meeting.

Article ~~99~~68 The Board meeting may be held with more than half of the Directors present.

Each Director shall have a ballot for voting. Unless otherwise provided in the Articles of Association, resolutions of the Board shall be passed by more than half of all Directors.

~~**In the case of equal division of votes, the Chairman of the Board of Directors is entitled to a casting vote.**~~

The meeting of the Board or any of its committees may be held by way of ~~**facsimile**~~, telephone, telephone conference or other electronic means of communication, provided that all participants of such meetings shall be able to communicate with each other via voice in a timely manner. All Directors participating in meetings by means stated herein shall be deemed to be present in person at the meeting.

Article ~~100~~69 Directors shall attend Board meetings in person. Where a Director is unable to attend a meeting for any reason, he/she may by a written power of attorney appoint another Director to attend the meeting on his/her behalf. The power of attorney shall specify the extent of authorization.

A Director appointed as the representative of another Director to attend the meeting shall exercise the rights of a Director within the scope of authority conferred by the appointing Director. Where a Director is unable to attend a Board meeting and has not appointed a proxy to attend the meeting on his behalf, he/she shall be deemed to have waived his right to vote at the meeting.

Article ~~101~~70 The Board shall keep minutes of resolutions passed at Board meetings. The minutes shall be signed by the Directors present at the meeting and the person who recorded the minutes. ~~**The Directors shall be liable for the resolutions of the Board.**~~ The implementation of resolutions of the Board shall be organized by the general manager (or a person designated by the Board). The management regularly reports to the Board on the execution and implementation of previous resolutions of the Board. The Directors have the right to make enquiries on the implementation of previous resolutions of the Board.

In the process of implementing the resolutions of the Board, the Board supervises and inspects the implementation of the relevant resolutions to ensure that the resolutions of the Board are properly and effectively implemented.

The Directors shall be liable for the resolutions of the Board. If a resolution of the Board violates the laws, administrative regulations or the Articles of Association **or resolutions at shareholders' general meetings** and ~~**the Company suffers**~~ **causing** serious losses **to the Company** as a result thereof, the Directors who participated in the passing of such resolution are liable to compensate the Company. ~~**However,**~~ if it can be proven that a Director expressly objected to the resolution when the resolution was voted on, and that such objection was recorded in the minutes of the meeting, such Director may be released from such liability.

Article 71 The Board of Directors of the Company shall set up relevant special committees including an audit committee, a nomination committee, a remuneration committee, and a strategy and planning committee. The special committees shall be accountable to the Board and discharge their duties in accordance with this Articles and Association and the authorization from the Board.

All members of the audit committee, the nomination committee, the remuneration committee, and the strategy and planning committee are composed of Directors, among which, the audit committee is composed of independent non-executive Directors and chaired by a professional possessing accounting expertise. The nomination committee comprises a majority of independent non-executive Directors and is chaired by the Chairman of the Board. The remuneration committee comprises a majority of independent non-executive Directors and is chaired by an independent non-executive Director. The strategy and planning committee comprises a majority of independent non-executive Directors and is chaired by the Chairman of Board. The Board of Directors is responsible for formulating the terms of reference of the special committees and regulate the operations of the special committees.

Article 72 The Board of Directors sets up an audit committee, and the Company no longer sets up a supervisory committee or supervisors. The duties and powers stipulated in the Terms of Reference for the Audit Committee and the duties and powers of a supervisory committee stipulated in the Company Law shall be exercised by the audit committee.

Article 73 The audit committee of the Board shall comprise at least three (3) members, where all members shall be non-executive Directors with independent non-executive Directors being the majority. At least one independent non-executive Director shall possess appropriate professional qualifications prescribed in the Listing Rules, or accounting or related financial management expertise, and the independent non-executive Director who possesses accounting or related financial management expertise shall act as the convener (i.e. the chairman of the audit committee).

Article 74 A resolution made by the Audit Committee shall be approved by more than half of the members of the Audit Committee.

The voting on the resolutions of the Audit Committee shall adopt one vote per person.

A minute of meeting of resolutions of the Audit Committee shall be kept in accordance with the requirements, and members of the Audit Committee attending the meeting shall sign on the minute.

CHAPTER ~~12~~11 SECRETARY TO THE BOARD OF THE COMPANY

Article ~~102~~75 The Company shall have a Secretary to the Board **to be responsible for matters such as the preparation of the shareholders' general meetings and Board meetings of the Company, the safekeeping of documents, the management of the information of shareholders of the Company and the handling of information disclosure affairs, and** who is a senior management member of the Company.

Article ~~103~~76 Secretary to the Board of the Company shall be a natural person with the requisite professional knowledge and experience, and shall be appointed by the Board. His/her primary responsibilities are:

(1) to ensure that the Company has complete organisational documents and records;

(2) to ensure that the Company prepares and delivers the reports and documents required by competent authorities in accordance with the laws;

(3) to ensure that the Company's registers of members are properly maintained, and that persons entitled to access to the relevant records and documents are furnished with such records and documents without delay.

Article ~~104~~77 Director or other senior management members may concurrently hold the post of the secretary to the Board. The accountant(s) of the certified public accountants' firm appointed by the Company shall not concurrently hold the post of the secretary to the Board.

~~**Where the office of the secretary to the Board is held concurrently by a Director, and an act is required to be done by a Director and the secretary to the Board separately, the person who holds the office of Director and secretary to the Board may not perform the act in dual capacity.**~~

CHAPTER ~~13~~12 GENERAL MANAGER AND OTHER SENIOR MANAGEMENT OF THE COMPANY

Article ~~105~~78 The Company shall have one general manager, as well as deputy general manager, financial officer, general legal counsel, secretary of the Board, company secretary and other senior management, who shall be appointed and dismissed by the Board. The general manager and other senior management shall perform the duties of operation planning, implementation monitoring and management strengthening.

Article ~~106~~79 The senior management of the Company shall be appointed for a term of three years, renewable upon re-appointment.

Article ~~107~~80 The general manager of the Company shall be accountable to the Board and exercise the following powers:

(1) to lead the Company's production, operation and management, organize resources to carry out the Board's resolutions and report to the Board;

(2) to organize the implementation of the Company's annual business plan and investment plan;

(3) to draft plans for the establishment of the Company's internal management structure;

(4) to draft the Company's basic management system;

(5) to formulate the specific rules and regulations of Company;

(6) to propose the appointment or dismissal of the Company's deputy general manager(s) and chief financial officer and general legal counsel and chief quality officer;

(7) to appoint or dismiss management personnel other than those required to be appointed or dismissed by the Board;

(8) to exercise other powers conferred by the Articles of Association and the Board.

Article ~~108~~81 The general manager of the Company shall attend Board meetings.

Article ~~109~~82 The senior management of the Company shall act honestly and diligently and comply with the laws, administrative regulations and the Articles of Association. A senior management member shall be personally liable for any loss suffered by the Company as a result of a violation by him of any laws, administrative regulations, departmental rules or the Articles of Association in the course of performing his/her duties.

~~**CHAPTER 14 SUPERVISORY COMMITTEE**~~

~~**Article 110 The Company shall have a supervisory committee.**~~

~~**Article 111 (1) The Supervisory Committee shall be composed of three to five Supervisors. One of the members of the Supervisory Committee shall act as the chairman of the Committee. The term of office of a Supervisor shall be three years, renewable upon re-election and re-appointment.**~~

~~**Upon re-election of the Supervisory Committee, the number of external supervisors shall account for more than one half of the total number of supervisors**~~

~~**(2) The appointment and dismissal of the chairman of the Supervisory Committee shall be passed by not less than two-thirds (inclusive) of its members.**~~

~~**Article 112 The Supervisory Committee shall comprise at least two representatives of shareholders and one representative of the Company's staff and workers. The representatives of shareholders shall be elected and dismissed by the general meeting. The Representatives of the Company's staff and workers shall be democratically elected and dismissed by the Company's staff.**~~

~~**Article 113 The Directors, general manager and other senior management of the Company shall not assume the position of supervisors**~~

~~**Article 114 Meetings of the Supervisory Committee shall be held at least once every six months and convened by the Chairman of the Supervisory Committee.**~~

~~**Article 115 The Supervisory Committee shall be accountable to the general meeting and exercise the following powers in accordance with the laws:**~~

~~**(1) to examine the Company's financial affairs;**~~

~~(2) to supervise Directors, general manager and other senior management members on the violation of laws, administrative regulations or the Articles of Association in performing their duties to the Company;~~

~~(3) to demand rectification from a Director, general manager and any other senior management members when the acts of such persons are harmful to the Company's interest;~~

~~(4) to examine the financial information such as the financial report, business report and plans for distribution of profits to be submitted by the Board to the general meetings and, should any queries arise, to engage, in the name of the Company, certified public accountants and practicing auditors to conduct a re-examination;~~

~~(5) to propose the convening of an extraordinary general meeting;~~

~~(6) to deal with or take legal actions against Directors on behalf of the Company;~~

~~(7) to exercise other powers specified in the Articles of Association;~~

~~(8) the supervisors shall attend Board meetings.~~

~~Article 116 A meeting of the Supervisory Committee shall be held only when over half of the Supervisors are present. Resolution at a Supervisory Committee meeting shall be approved by two-thirds (inclusive) of the supervisors by poll.~~

~~Article 117 All reasonable expenses incurred in respect of the employment of professionals such as lawyers, certified public accountants or practicing auditors as are required by the Supervisory Committee in discharging its duties shall be borne by the Company.~~

~~Article 118 A supervisor shall carry out his/her duties honestly and faithfully in accordance with the laws, administrative regulations and the Articles of Association.~~

CHAPTER ~~15~~13 QUALIFICATIONS AND OBLIGATIONS OF DIRECTORS, ~~SUPERVISORS,~~ GENERAL MANAGER AND OTHER SENIOR MANAGEMENT OF THE COMPANY

Article ~~119~~83 A person shall be disqualified for being a director~~, a supervisor~~, a general manager or other senior management members of the Company in any of the following circumstances:

(1) the individual has no capacity to undertake civil liabilities or restricted capacity to undertake civil liabilities;

(2) ~~**a period of five years has not yet elapsed since**~~ the penalisation on conviction of corruption, bribery, unauthorised taking of property, misappropriation of property or disrupting ~~**social and**~~ **socialist market** economic order; or a period of five years has not yet elapsed since being deprived of political rights for commission of offences**; or if the individual has been granted a suspended sentence, a period of less than two years since the date of the expiry of the probation period of the suspended sentence**;

(3) a period of three years has not yet elapsed since the completion of the liquidation of any Company or enterprise which was insolvent ~~**due to unsound business operation and management**~~ and where the person acted as a director, factory manager or ~~**general manager**~~ **manager** of such Company or enterprise and was personally liable for such insolvency;

(4) a period of three years has not yet elapsed since revocation of the business license **or order to close down** of a company or enterprise due to illegal business operations where the person was the legal representative of such company or enterprise and for which he was personally liable;

(5) the person is personally liable for a substantial loan which is due for payment but remains unpaid **and is listed by the People's Court as a judgment defaulter**;

(6) the person has been involved in a criminal offence which is subject to investigation by the judicial authority, and the case remains unsettled;

(7) the person is not eligible for acting in the leadership of a Company or an enterprise according to the laws or administrative regulations;

(8) the person is not a natural person;

(9) a period of five years has not yet elapsed since the person was adjudged by the relevant regulatory authorities to be guilty of contravention of provisions of securities regulations involving fraud or dishonesty.

Any election or appointment of directors or senior management members in violation of the provisions of the preceding paragraph shall be invalid.

Where any director or senior management members has any circumstance described above in the first paragraph of this Article during his/her tenure, the Company shall remove him/her from office.

Article ~~120~~**84** The validity of an act of a director, general manager and other senior management members on behalf of the Company is not, vis-a‘-vis a bona fide third party, affected by any irregularity in his office, election or any defect in his qualification.

Article 85 Directors and senior management members of the Company owe a duty of loyalty to the Company. They shall take measures to avoid conflicts of interest between their own interests and those of the Company and shall not take advantage of their positions to seek improper benefits.

Directors and senior management members owe a duty of diligence to the Company. In performing their duties, they shall exercise the level of care that a reasonably prudent manager would exercise in the best interests of the Company.

~~**Article 121 In addition to the obligations imposed by the laws, administrative regulations or required by the listing rules of the stock exchange on which Shares of the Company are listed, each director, supervisor, general manager and other senior management members of the Company shall, in the exercise of the functions and powers of the Company entrusted to him/her, be obliged to bear the following duties towards each shareholder:**~~

~~**(1) not to cause the Company to exceed the scope of business stipulated in its business license;**~~

~~**(2) to act honestly in the best interest of the Company;**~~

~~**(3) not to expropriate in any guise the Company’s property, including but not limited to usurpation of opportunities advantageous to the Company;**~~

~~**(4) not to expropriate the individual rights of shareholders, including but not limited to rights to distribution and voting rights, save pursuant to a restructuring of the Company submitted to shareholders for approval in accordance with the Articles of Association.**~~

~~**Article 122 Each director, supervisor, general manager and other senior management members of the Company shall, in the exercise of his/her powers and discharge of his/her obligations, be obliged to exercise the care, diligence and capability that a prudent person would reasonably exercise in comparable circumstances.**~~

Article 86 Directors and senior management members of the Company shall not operate businesses, either self-owned or owned by others, similar to those of the company they serve. Income generated by directors or senior management members in violation of the provisions in this Article shall be retained for the benefit of the Company.

Article 87 The directors and senior management members of the Company shall not:

(1) embezzle the property of the Company, or misappropriate the funds of the Company;

(2) deposit the funds of the Company in the account under its individual name or under the name of other individuals;

(3) take advantage of their duties and powers to bribe or accept other illegal income;

(4) accept commissions from others for transactions with the Company for his/her own benefit;

(5) disclose without authorization of secrets of the Company;

(6) commit other acts in breach of the duty of loyalty to the Company.

Income generated by directors or senior management members in violation of the provisions in this Article shall be retained for the benefit of the Company.

~~**Article 123 Each director, supervisor, general manager and any other senior management members of the Company shall exercise his powers or perform his/her duties in accordance with the principle of fiduciary; and shall not put himself/herself in a position where there may be conflicts between his/her duties and his/her interests. Without limiting the generality of the foregoing, the following obligations (including but not limited to) shall be discharged:**~~

~~**(1) to act honestly in the best interests of the Company;**~~

~~**(2) to exercise powers within the scope of his/her powers and not to exceed those authorizations;**~~

~~(3) to exercise the discretion vested in him personally and not to allow himself to act under the control of another and, unless and to the extent permitted by the laws, administrative regulations or with the consent of informed shareholders at a general meeting, not to delegate the exercise of his discretion;~~

~~(4) to treat shareholders of the same class equally and to treat shareholders of different classes fairly;~~

~~(5) except otherwise stipulated by the Articles of Association or otherwise consented by informed shareholders at a general meeting, not to enter into any contract, transaction or arrangement with the Company;~~

~~(6) without the consent of informed shareholders at a general meeting, not to use the Company's property by any means for his own benefits;~~

~~(7) not to exploit his position to accept bribes or other illegal income or expropriate the Company's property by any means, including but not limited to opportunities advantageous to the Company;~~

~~(8) without the consent of informed shareholders at a general meeting, not to accept commissions in connection with any of the Company's transactions;~~

~~(9) to abide by the Articles of Association, perform his official duties faithfully and protect the Company's interests, and not to exploit his position and power in the Company to advance his own private benefits;~~

~~(10) not to compete with the Company in any way unless with the consent of informed shareholders at a general meeting;~~

~~(11) not to misappropriate the Company's funds or lend such funds to others, not to open accounts in his own name or other names for the deposit of the Company's assets and not to provide a guarantee for debts of a shareholder of the Company or other individual(s) with the Company's assets;~~

~~(12) unless otherwise permitted by informed shareholders at a general meeting, to keep information acquired by him in confidentiality in the course of and during his tenure and not to use the information other than in furtherance of the interests of the Company, save and except that disclosure of such information to the court or other governmental competent authorities is permitted if:~~

~~1. disclosure is made under compulsion of the laws;~~

~~2. the interests of the public require disclosure;~~

~~3. the interests of the relevant director, supervisor manager and other senior management members require disclosure.~~

~~Article 124 Each director, supervisor, general manager and any other senior management members of the Company shall not cause the following persons or institutions ("associates") to do what he is prohibited from doing:~~

~~(1) the spouse or minor children of that director, supervisor, general manager and other senior management members;~~

~~(2) a person acting in the capacity of a trustee of that director, supervisor, general manager and other senior management members or any person referred to in sub-clause (1) of this Article;~~

~~(3) a person acting in the capacity of partner of that director, supervisor, general manager and other senior management members or any person referred to in sub-clauses (1) and (2) of this Article;~~

~~(4) a company in which that director, supervisor, general manager and other senior management members, alone or jointly with one or more personnel referred to in sub-clauses (1), (2) and (3) of this Article and other directors, supervisors, general manager and other senior management members having a de facto controlling interest;~~

~~(5) directors, supervisors, general manager and other senior management members of the controlled entities referred to in sub-clause (4) of this Article.~~

Article 88 **Directors and senior management members of the Company shall not take advantage of his/her duties in seeking business opportunities belonging to the Company for himself/herself or others.**

Income generated by directors or senior management members in violation of the provisions in this Article shall be retained for the benefit of the Company.

Article ~~125~~89 The fiduciary duties of each director~~, supervisor~~, general manager and other senior management members of the Company shall not be necessarily ceased with the termination of his tenure. The duty of confidentiality in relation to trade secrets of the Company shall survive upon termination of his tenure. Other duties may continue for such period as fairness may require depending on the time lapses between the termination and the act concerned and the circumstances and conditions under which the relationships between him and the Company are terminated.

~~**Article 126 Except as provided in Article 51 hereof, each director, supervisor, general manager and other senior management of the Company may be relieved of liability for specific breaches of his duties by the consent of informed shareholders at a general meeting.**~~

~~**Article 127 Where a director, supervisor, general manager and any other senior management members of the Company is in any way, directly or indirectly, materially interested in a contract, transaction or arrangement or proposed contract, transaction or arrangement with the Company (other than an employment contract of each director, supervisor, general manager and any other senior management members with the Company), he shall declare the nature and extent of his interests to the Board at the earliest opportunity, whether or not the relevant issues shall be otherwise subject to approval of the Board under normal circumstance.**~~

~~**Unless an interested director, supervisor, general manager and other senior management members disclose his interests in accordance with this Article and the contracts, transactions or arrangements are approved by the Board at a meeting at which such interested director, supervisor, general manager or other senior management members shall not be counted in the quorum and shall have abstained from voting. A contract, transaction or arrangement in which that particular director, supervisor, general manager and other senior management members is materially interested is avoidable at the instance of the Company, except as against a bona fide party thereto acting without being aware of the breach of duty by the interested director, supervisor, general manager or other senior management members.**~~

~~**Each director, supervisor, general manager and other senior management members of the Company shall be deemed to be interested in a contract, transaction or arrangement in which any associate of the director, supervisor, general manager and other senior management members are interested.**~~

Article 90 **Any contract entered into or transaction engaged in by Directors or senior management members of the Company directly or indirectly with the Company shall be reported to the Board or the shareholders' general meeting on matters relating to such contracts or transactions and shall be approved by way of a resolution of the Board or the shareholders' general meeting in accordance with the provisions of the Articles of**

Association. The related directors shall not participate in the voting and their voting rights shall not be counted towards the total number of voting rights. If the number of non-related directors attending the Board meeting is less than three (3), such matters shall be submitted to the shareholders' general meeting for consideration. Income generated by directors or senior management members in violation of the provisions in this Article shall be retained for the benefit of the Company.

The preceding paragraph shall also apply to the close relatives of directors or senior management members, enterprises directly or indirectly controlled by directors or senior management members or their close relatives, and parties having other related-party relationships with directors or senior management members who enter into contracts or engage in transactions with the Company.

~~**Article 128 Where a director, supervisor, general manager and other senior management members of the Company gives to the Board before the Company's first consideration of formulation of any contract, transaction or arrangement, a general notice in writing stating that, by reason of the facts specified in the notice, he is interested in such contracts, transactions or arrangements of any description which may subsequently be made by the Company, the content stated in such notice shall be deemed for the purposes of the preceding Article of this Chapter to be a sufficient disclosure of the interests of the director, supervisor, general manager and other senior management members.**~~

Article 91 If the directors and senior management members of the Company violated the provisions of laws, administrative regulations or the Articles of Association in the performance of his/her duties, and the Company suffers losses as a result thereof, they shall be liable to compensate the Company.

Article 92 If the directors and senior management members of the Company violated the provisions of laws, administrative regulations or the Articles of Association in infringement of shareholders' interests, a shareholder may bring a lawsuit to the People's Court.

Article 93 If the directors and senior management members of the Company cause losses to others in the performance of his/her duties, the Company shall be liable for compensation; if the directors and senior management members are intentional or grossly negligent, they shall also be liable for compensation.

Article 94 Controlling shareholders or de facto controllers of the Company who instruct directors or senior management members to take actions jeopardizing the Company or shareholders' interests, they shall have joint liability with such directors or senior management members.

~~**Article 129 The Company shall not in any manner pay taxes for or on behalf of its director, supervisor, general manager and any other senior management members.**~~

~~**Article 130 The Company shall neither directly or indirectly make a loan to or provide any guarantee to its director, supervisor, general manager and other senior management members of the Company or of its parent company, nor make a loan to or provide any loan guarantee in connection thereto to any of their respective associates.**~~

~~**The provisions of the preceding paragraph shall not be applicable to the following circumstances:**~~

~~**(1) the provision by the Company of a loan or a loan guarantee to a company which is a subsidiary of the Company;**~~

~~**(2) the provision by the Company of a loan or a loan guarantee or any other funds to a director, supervisor, general manager and other senior management members of the Company to meet expenditures incurred or to be incurred by him for the purposes of the Company or for the purpose of enabling him to properly perform his duties, in accordance with the terms of a employment contract approved by shareholders at a general meeting;**~~

~~**(3) the Company may make a loan to or provide a loan guarantee to any of the relevant directors, supervisors, general manager and other senior management members and their respective associates in the ordinary course of its business on normal commercial terms, provided that the ordinary course of business of the Company should include the lending of money or the giving of guarantees.**~~

~~**Article 131 A loan made by the Company in breach of the preceding Article shall be forthwith repayable by the recipient of the loan regardless of the terms of the loan.**~~

~~**Article 132 A guarantee for repayment of loan provided by the Company in breach of sub-clause 1 of Article 130 shall not be enforceable against the Company, unless:**~~

~~(1) the guarantee was provided in connection with a loan to an associate of any of the directors, supervisors, general managers and other senior management members of the Company or of the Company's parent company and the lender were not aware of the relevant circumstances at the time the loan was advanced; or~~

~~(2) the collateral provided by the Company has been lawfully disposed of by the lender to a bona fide purchaser.~~

~~Article 133 For the purpose of the foregoing paragraph of this Chapter, a guarantee shall include an undertaking or property provided to secure the performance of obligations by the obligor.~~

~~Article 134 In addition to any rights and remedies provided by the laws and administrative regulations, where a director, supervisor, general manager and other senior management members of the Company is in breach of his duties to the Company, the Company shall have a right to:~~

~~(1) claim damages from the director, supervisor, general manager and other senior management members in compensation for losses sustained by the Company as a result of such breach;~~

~~(2) rescind any contract or transaction entered into by the Company with the director, supervisor, general manager and other senior management members or with a third party (where such third party knows or should know that there is such a breach of obligations by such a director, supervisor, general manager and other senior management members);~~

~~(3) demand an account of the profits made by the director, supervisor, general manager and other senior management members in breach of his obligations;~~

~~(4) recover any monies received by the director, supervisor, general manager and other senior management members which should otherwise have been received by the Company, including but not limited to commissions; and~~

~~(5) request such director, supervisor, general manager and other senior management members to return the interests accrued or may be accrued on the monies which otherwise should have been paid to the Company.~~

~~**Article 135 The Company shall, with prior approval of shareholders at a general meeting, enter into a contract in writing with a director or supervisor wherein his emoluments are stipulated. The aforesaid emoluments shall include:**~~

~~**(1) the emoluments in respect of his labour as a director, supervisor or senior management members of the Company;**~~

~~**(2) the emoluments in respect of his labour as director, supervisor or senior management members of any subsidiary of the Company;**~~

~~**(3) the emoluments in respect of the provision of other labours in connection with the management of the affairs of the Company and any of its subsidiaries;**~~

~~**(4) the payment to such a director or supervisor by way of compensation for his loss of office, or as consideration for or in connection with his retirement from office.**~~

~~**Except under a contract entered into in accordance with the foregoing paragraph, no proceedings may be brought by a director or supervisor against the Company for any benefits due to him in respect of the matters mentioned in this Article.**~~

~~**Article 136 The contract concerning the emoluments between the Company and its directors or supervisors should provide that in the event of a takeover of the Company, the Company's directors and supervisors shall, subject to prior approval of shareholders at a general meeting, have the right to receive compensation or other payment in respect of his loss of office or retirement. A takeover of the Company referred to of the preceding paragraph means any of the following circumstances:**~~

~~**(1) an offer made by any person to all the shareholders;**~~

~~**(2) an offer made by any person with a view to have the offerer becoming a controlling shareholder within the same defined meaning as ascribed to it in Article 52 of the Articles of Association.**~~

~~**Where the relevant director or supervisor is in breach of this Article, any sum so received by him shall belong to those persons who have sold their shares as a result of the acceptance of the said offer. The expenses incurred in distributing that sum pro rata amongst those persons shall be borne by the relevant director or supervisor and shall not be deductible from that sum.**~~

CHAPTER ~~16~~14 EMPLOYEE DEMOCRATIC MANAGEMENT AND LABOR AND PERSONNEL SYSTEM

Article ~~137~~95 The Company establishes and improves the employee representatives' general meeting. The employee representatives' general meeting is the basic form of democratic management of the Company and the organ through which the employees exercise their democratic management rights.

Article ~~138~~96 Workers of the Company shall organize labor union, conduct trade union activities and safeguard the legal interests of workers in accordance with the PRC Trade Union Law. The Company shall provide conditions which are prerequisite for the activities of the trade union. The labor union is responsible for the daily work of the employee representative assembly.

Article ~~139~~97 The Company shall comply with national laws and administrative regulations on labor employment, labor protection, safe production and social security, and implement the national labor protection, social insurance system and related policies, and is obliged to respect and protect the legitimate rights and interests of its employees. The Company shall formulate labor, personnel and wage system in accordance with the national laws, administrative regulations and policies on labor and personnel and the needs of production and operation.

CHAPTER ~~17~~15 GENERAL LEGAL COUNSEL SYSTEM

Article ~~140~~98 The Company adopts the general legal counsel system to further exert the function of general legal counsel of the Company in legal review and supervision of operation and management, thereby facilitating the legal operation and compliance management of the Company. The general legal counsel shall be nominated by the general manager, and shall be appointed by the Board.

Article ~~141~~99 The general legal counsel is a senior management member appointed by the Board and is the specific leader of the Company's rule of law efforts. The general legal counsel shall be responsible for legal affairs of the Company by coordinating and handling legal affairs in decision-making, operation and management of the Company, as well as legal compliance review of major decisions. The general legal counsel reports directly to the general manager or Chairman of the Board and is accountable to the Board.

CHAPTER ~~18~~16 FINANCIAL AND ACCOUNTING SYSTEMS, PROFIT DISTRIBUTION AND AUDIT AND ACCOUNTABILITY OF NON-COMPLIANCE OF OPERATION AND INVESTMENT

Article ~~142~~100 The Company shall establish its financial and accounting systems in accordance with the laws, administrative regulations and the PRC accounting standards formulated by the finance regulatory department of the State Council.

Article ~~143~~101 At the end of each fiscal year, the Company shall prepare a financial **accounting** report, ~~**which shall be reviewed and verified in accordance with laws,**~~ **which shall be audited by an accounting firm in accordance with laws. The financial accounting report shall be prepared in accordance with the provisions of laws, administrative regulations and financial departments of the State Council**.

Article ~~144~~102 The Board shall, at each annual general meeting, submit to shareholders the financial reports prepared by the Company in accordance with the provisions for normative documents which are promulgated by the relevant laws, administrative regulations and local governments and departmental authorities.

Article ~~145~~103 The Company's financial **accounting** reports shall be made available for shareholders' inspection at the Company **and be published** not later than ~~21~~20 days before the date of each annual general meeting. ~~**Each shareholder shall be entitled to an access of a copy of the financial reports referred to in this Chapter.**~~

~~**Article 146 The financial statements of the Company shall, in addition to being prepared in accordance with the PRC accounting standards and regulations, be prepared in accordance with either international accounting standards, or that of the place outside the PRC where the Company's shares are listed. If there is any material difference between the financial statements prepared respectively in accordance with the two accounting standards, such difference shall be stated in the notes to the financial statements. When the Company is to distribute its profits of the relevant fiscal year, the lower of the after-tax profits as shown in the two financial statements shall be adopted.**~~

~~**Article 147 Any results or financial information published or disclosed by the Company must also be prepared and presented in accordance with the PRC accounting standards and regulations, and also in accordance with either the international accounting standards or those of the overseas location where the shares of the Company are listed.**~~

~~**Article 148 The Company shall publish two financial reports in each fiscal year, meaning that the interim reports shall be published within 60 days after the first six months of the fiscal year and the annual reports shall be published within 120 days after the expiration of the fiscal year.**~~

Article ~~**149**~~**104** The Company shall not keep ~~**accounts**~~ **account books** other than those provided for by the laws. **The funds of the Company shall not be deposited in any account opened in an individual's own name.**

Article 105 When distributing the after-tax profits of the current year, the Company shall allocate 10% of its profits into its statutory reserve fund. When the accumulated statutory reserve fund of the Company is more than 50% of the registered capital of the Company, no further appropriation is required.

If the statutory reserve fund of the Company is insufficient to make up for the losses of previous years, the Company shall first make up for the losses with the current year's profits before making allocations to the statutory reserve fund in accordance with the preceding paragraph.

After making allocations to the statutory reserve fund from the after-tax profits, the Company may also make allocations to the discretionary reserve fund from the after-tax profits upon the resolution of the shareholders' general meeting.

After making up for the losses and withdrawing the reserve fund, the remaining after-tax profits shall be distributed to shareholders in proportion to their shareholdings.

Shares held by the Company shall not be distributed.

Article 106 Where the Company distributes profits to shareholders in violation of this Articles of Association, the shareholders shall return the profits distributed in violation of the provisions to the Company; where any loss is caused to the Company, the shareholders and the responsible directors and senior management members shall be liable for compensation.

Article 107 The reserve fund of the Company shall be applied to make up for the Company's losses, expand its business operations or increase its registered capital.

The discretionary reserve fund and statutory reserve fund shall be used first to make up for the Company's losses; if the losses cannot be covered, the capital reserve fund can be used in accordance with the provisions.

Upon the transfer of the statutory reserve fund into additional registered capital, the balance of the fund shall not be less than 25% of the registered capital of the Company before such transfer.

~~**Article 150 Capital common reserve fund includes the following items:**~~

~~**(1) premium on shares served at a premium price;**~~

~~**(2) any other income designated for the capital common reserve fund by the regulations of the competent financial authority of the State Council.**~~

~~**Article 151 The Company may distribute a dividend in the following forms:**~~

~~**(1) cash;**~~

~~**(2) shares.**~~

~~**Article 152 The Company shall appoint on behalf of the holders of the overseas listed shares receiving agents to receive on behalf of such shareholder dividends declared and all other monies owing by the Company in respect of such shares.**~~

~~**The receiving agents appointed by the Company shall satisfy the relevant requirements of the laws of the place and relevant regulations of the stock exchange on which the Company's shares are listed and the relevant requirements of this Article of Association.**~~

~~**In addition to the above, the Company shall appoint on behalf of the holders of the overseas-listed shares listed in the Hong Kong Stock Exchange receiving agents. Such agents shall be a Company registered as a trust Company under the Trustee Ordinance of Hong Kong.**~~

Article ~~**153**~~**108** The Company implement an internal audit system with dedicated audit persons to conduct internal audit and supervision of revenue and expenditures and economic activities of the Company. The internal audit system and duties of audit personnel of the Company shall be approved by Board before such system and duties are to be implemented. The audit department shall be accountable to, and report its work to, the Board.

Article ~~154~~109 If any personnel of the Company violate the laws and regulations, the rules and regulations for the supervision of state-owned assets and the internal management system of the Company, fail to perform or fail to properly perform their duties, and cause losses of state-owned assets or other serious adverse consequences in the operation and investment, those responsible will be held accountable.

Article ~~155~~110 Accountability for non-compliance of operation and investment includes but is not limited to the following areas: corporate control, risk management, project contracting, capital management, transfer of property rights (including the equity and assets of the respective company), fixed assets investment, investment mergers and acquisitions, reorganization and restructuring, overseas operation and investment, etc.

Article ~~156~~111 Investigation and verification of non-compliance of operation and investment, confirmation of responsibility and consequential actions shall be carried out in accordance with the relevant laws and regulations and related rules and systems of the Company.

CHAPTER ~~19~~17 APPOINTMENT OF ACCOUNTANT FIRM

Article ~~157~~112 The Company shall appoint an independent accountant firm which is qualified under the relevant regulations of the PRC to audit annual reports of the Company and review the other financial reports of the Company.

~~**The appointment, removal and compensation of accounting firm must be approved by a majority of the Company's shareholders or other body that is independent of the Board. The first accountant firm of the Company may be appointed by the inaugural meeting of the Company before the first annual general meeting. The accountant firm so appointed shall hold office until the close of the first annual general meeting.**~~

The appointment and dismissal of accounting firm responsible for the auditing of the Company shall be determined by the shareholders' general meeting. The accounting firm shall be allowed to state its views when a shareholders' general meeting of the Company conducts a vote on the dismissal of the accounting firm.

~~**Article 158 The accountant firm appointed by the Company shall hold office from the close of the annual general meeting until the conclusion of the next annual general meeting.**~~

Article 113 When selecting and appointing accounting firms, the Company shall adopt competitive negotiation, open bidding, invited bidding and other means that the competence of such accounting firm can be known well so as to ensure that the selection and appointment process is carried out fairly and impartially.

The Company shall specify the evaluation criteria for selection and appointment of an accounting firm, evaluate the application documents of the proposed accounting firms, and record and maintain the evaluation opinions of the persons participating in the evaluation.

In principle, the continuous engagement of the same accounting firm shall not exceed eight (8) years. If the Company intends to continue engaging the same accounting firm for more than eight (8) years due to business needs, it shall comprehensively consider the quality of the accounting firm's previous audits, the shareholders' evaluation, regulatory opinions, etc., and may appropriately extend the term of engagement after performing decision-making procedures, subject to a term of continuous engagement not exceeding ten (10) years.

If an audit project partner and a signatory certified public accountant have actually undertaken the Company's audit service for five years, they shall not be allowed to participate in the Company's audit service for five consecutive years thereafter.

Article 114 The Company shall provide the true and complete accounting vouchers, accounting books, financial accounting reports and other accounting information to the engaged accounting firm, and it shall not refuse or withhold any such information nor shall it provide any false information.

~~**Article 159 The accountant firm appointed by the Company shall have the following rights:**~~

~~**(1) a right to inspect the books, records and vouchers of the Company at any time, the right to require directors, managers or other senior management members of the Company to supply relevant information and explanation;**~~

~~**(2) a right to require the Company to take all reasonable steps to obtain from its subsidiaries such information and explanation as are necessary for the purpose of discharging its duties;**~~

~~**(3) a right to attend general meeting and to receive all notices of, and information relating to, any general meeting which any shareholder is entitled to receive, and to speak at any general meeting for matters in relation to its capacity as the Company's accountant firm.**~~

Article ~~**160**~~**115** ~~**(1) If there is a vacancy in the position of the auditor of the Company, the general meeting may appoint an accountant firm to fill such vacancy. Any other accountant firm which has been engaged by the Company may continue to act during the period of existence of such vacancy.**~~

~~(2)~~**(1)** Where it is proposed that any resolution be passed at a general meeting concerning the appointment of an accountant firm which is not an incumbent firm to fill a casual vacancy in the office of the accountant firm, re-appointment of a retiring accountant firm which was appointed by the Board of the Company to fill a casual vacancy, or removal of the accountant firm before the expiration of its term of office, the following provisions shall apply:

1. a copy of the proposal shall be sent before notice of meeting is given to the shareholders to the accountant firm proposed to be appointed or proposing to leave its post, or the accountant firm which has left its post in the relevant fiscal year.(Leaving from office includes leaving by removal, resignation and retirement.);

2. if the accountant firm leaving its post makes representations in writing and requests the Company to notify such representations to the shareholders, the Company shall (unless the written representations are received too late):

   (i) state the fact of the representations having been made by the accountant firm leaving in any notice of the resolution given to shareholders, and

   (ii) deliver a copy of the representations to each shareholder who is entitled to receive the notice of general meetings.

3. the relevant accountant firm may (in addition to its right to be heard) require that the representations be read out at the meeting if the representations of the relevant accountant firm are not sent in accordance with this sub-clause ~~(2)~~**(1)**.

4. An accountant firm which is leaving its post shall be entitled to attend the following meetings:

   (i) the **shareholders'** general meeting at which its term of office would otherwise have expired;

   (ii) any **shareholders'** general meeting at which it is proposed to fill the vacancy caused by its removal;

   (iii) any **shareholders'** general meeting convened on its resignation.

An accountant firm which is leaving its post shall be entitled to receive all notices of, and other information relating to, any such meetings, and to speak at any such meetings in relation to matters concerning its role as the former accountant firm of the Company.

~~(3)~~(2) An accountant firm may resign its office by depositing at the Company's legal address a resignation notice. Such notice shall include the following information:

(i) a statement to the effect that there are no circumstances connected with its resignation which it considers should be brought to the notice of the shareholders or creditors of the Company; or

(ii) a statement of any such circumstances which should be brought to notice.

Such notices shall become effective on the date of the deposit on the Company's legal address or on such later date as may be stipulated in such notices.

~~(4)~~(3) Where a notice is deposited as mentioned in sub-clause ~~(3)~~**(2)** of this Article, the Company shall, within fourteen days, send a copy of the notice to the relevant competent authorities. If the notice contains a statement under sub-clause ~~(2)(ii)~~**(1)2** of this Article, a copy of such statement shall be served to each shareholder who is entitled to receive the report regarding financial conditions of the Company.

~~(5)~~(4) Where the accountant firm's notice of resignation contains a statement as referred to under sub-clause ~~(2)(ii)~~**(1)2** of this Article, it may require the Board to convene an extraordinary general meeting for the purpose of receiving an explanation of the circumstances connected with its resignation.

Article 116 Where the Company changes the accounting firm, the selection and appointment of new accounting firm shall be completed before the end of the fourth quarter of the year under audit.

~~**Article 161 Notwithstanding the stipulations in the contract between the Company and the accountant firm, shareholders at a general meeting may, by ordinary resolution, remove an accountant firm before the expiration of its term of office, but without prejudice to the right of the firm to claim, if any, for damages in respect of such removal.**~~

Article ~~162~~**117** The remuneration of an accountant firm or the manner in which such firm is to be remunerated shall be determined by shareholders at a **shareholders'** general meeting. **During the term of engagement, the Company and the accounting firm may reasonably adjust the audit fees in accordance with the changes in consumer price index and average social wage level, as well as changes in the scale and complexity of the business.**

~~**Article 163 The Company's appointment, removal and non-reappointment of an accountant firm shall be resolved upon by shareholders in general meeting. The resolution of the general meeting shall be filed with the China Securities Regulatory Commission.**~~

Article ~~**164**~~**118** (1) Prior to the removal or the non-renewal of the appointment of the accountant firm, notice of such removal or non-renewal shall be given in advance to the accountant firm and such firm shall be entitled to make representation at the **shareholders'** general meeting. Where the accountant firm resigns its post, it shall make clear to the general meeting whether there has been any impropriety on the part of the Company.

(2) "Accountant firm" and "Auditor" shall have the same meanings in this Chapter.

CHAPTER ~~20~~18 MERGER AND DIVISION OF THE COMPANY

~~**Article 165 In the event of any merger or division of the Company, the Board of the Company shall submit proposals to be approved in accordance with the procedures as stipulated in the Articles of Association, before going through the relevant examination and approval procedures as required by laws. Shareholders who object to the proposal of merger or division are entitled to request the Company or shareholders who agree to the proposal to purchase their shares at a fair price. Resolutions on merger or division shall be recorded as a special document for shareholders' inspection.**~~

~~**The aforesaid document shall also be sent by mail to holders of overseas listed shares.**~~

Article ~~**166**~~**119** The merger of the Company may take the form of either merger by absorption or merger by the establishment of a new company.

In the event of a merger, the parties to the merger shall enter into a merger agreement and prepare balance sheets and inventories of assets. The company shall notify its creditors within ten days of the date of the Company's resolution on merger and shall ~~**publish an announcement on newspapers at least three times**~~ **publish an announcement on newspaper or in the National Enterprise Credit Information Publicity System** within thirty days of the date of the Company's resolution on merger. **The creditors may request the Company to repay the debts or provide appropriate guarantees within thirty (30) days after receiving such notice, or if they fail to receive such notice, within forty-five (45) days after the publication of such announcement.**

~~**After**~~ **During** the merger, claims and liabilities of parties to the merger shall be taken over by the continuing company or the newly established company.

Article ~~167~~120 When there is a division of the Company, its assets ~~shall be~~ are divided up accordingly.

In the event of a division of the Company, the dividing parties shall ~~enter into a division agreement and~~ prepare balance sheets and inventories of assets. The Company shall notify its creditors within ten days of the date of the Company's division resolution and shall publish an announcement on newspaper ~~at least three times~~ **or in the National Enterprise Credit Information Publicity System** within thirty days of the date of the Company's division resolution.

Liabilities of the Company prior to the division shall be assumed by the companies which exist after the division **jointly** ~~in accordance with the agreement entered into.~~**, except for those otherwise agreed by the Company and its creditors in writing prior to the division with respect to the repayment of debts.**

Article ~~168~~121 When the merger or division of the Company involves changes in registered particulars, such changes shall be registered with the company registration authority in accordance with the law. When the Company dissolves, the Company shall cancel its registration in accordance with the law. When a new company is established, its establishment shall be registered in accordance with the law.

CHAPTER ~~21~~19 DISSOLUTION AND LIQUIDATION OF THE COMPANY

~~**Article 169 In one of the following cases, the Company shall be dissolved, and undergo liquidation according to law:**~~

~~**(1) the expiry of the term of operation;**~~

~~**(2) the general meeting makes a resolution on dissolution;**~~

~~**(3) the Company has to be dissolved on account of its merger or separation;**~~

~~**(4) the Company is declared as bankrupt according to law on account of its being unable to repay due debts;**~~

~~**(5) the Company has been ordered to close down for violation of the laws or administrative regulations.**~~

Article 122 The Company may be dissolved in any of the following circumstances:

(1) the expiry of the term of operation stipulated in the Articles of Association;

(2) the shareholders' general meeting makes a resolution on dissolution;

(3) the Company has to be dissolved on account of its merger or division;

(4) the business license is revoked in accordance with laws, or the Company is ordered to close down or is cancelled;

(5) the Company is dissolved by the People's Court in accordance with the Company Law.

If the Company encounters the reasons for dissolution as stipulated in the preceding paragraph, it shall publicize the reasons for dissolution through the National Enterprise Credit Information Publicity System within ten (10) days.

~~**Article 170 Where the Company is dissolved on account of the regulation in sub-clause (1) and (2) of the preceding Article, a clearing group shall be set up in 15 days, and its members shall be determined by the general meeting through an ordinary resolution.**~~

~~**Where the Company is dissolved on account of the regulation in sub-clauses (4) of the preceding Article, the people's court shall according to the relevant laws, organise the shareholders, the relevant authorities and the professionals to form a liquidation group for the liquidation work.**~~

~~**Where the Company is dissolved on account of the regulation in sub-clause (5) of the preceding Article, the relevant competent department shall organise the shareholders, the relevant authorities and the professionals to form a liquidation group for carrying out the liquidation work.**~~

Article 123 Under the circumstance set out in item (1) and item (2) of Paragraph 1 of the preceding Article and it has not distributed any property to shareholders, the Company may continue to exist by amending the Articles of Association or by a resolution of the shareholders' general meeting, where such amendments or resolution shall be subject to approval of more than two thirds (2/3) of the votes held by the shareholders present at the shareholders' general meeting.

Where the Company is dissolved under the circumstances set out in items (1), (2), (4) and (5) of Paragraph 1 of the preceding Article, the Company shall be liquidated. Directors are the liquidation obligor of the Company, and shall establish a liquidation committee to carry out liquidation within fifteen (15) days from the date when the cause of dissolution occurred.

The liquidation committee shall be composed of directors, unless others are elected by a resolution of the shareholders' general meeting.

If the liquidation obligor fails to perform its liquidation obligation in a timely manner and causes losses to the Company or creditors, they shall be liable for compensation.

~~**Article 171 In the event that the Board makes a decision upon liquidation of the Company (save and except for a liquidation in the event of the Company being declared as bankrupt), it shall, in the notice on the general meeting to be held on this, state that the Board has made a comprehensive investigation of the Company's conditions, and hold that the Company can clear off all liabilities of the Company within 12 months from the commencement of liquidation.**~~

~~**Upon passing of the resolution on liquidation at the general meeting, the functions of the Board of the Company shall be immediately terminated.**~~

~~**The liquidation group shall follow the instructions from the general meeting, make at least one report each year to the general meeting on the income and expenditure of the liquidation group as well as Company's business and progress on the liquidation, and make the final report to the general meeting at the end of the liquidation.**~~

Article ~~172~~**124** The liquidation committee shall notify all creditors within 10 days after its establishment ~~**and shall make at least 3 newspaper announcements within 60 days. The liquidation group should register claims.**~~ **and shall make announcements on newspapers or in the National Enterprise Credit Information Publicity System within sixty (60) days. The creditors shall file their claims with the liquidation committee within thirty (30) days after receiving such notice, or if they fail to receive such notice, within forty-five (45) days after the publication of such announcement. In filing its claims, a creditor shall provide the particulars of such claims and the supporting documents. The liquidation committee shall register the claims. During the claim declaration period, the liquidation committee shall not repay any debt to any creditor.**

Article ~~173~~**125** During the period of liquidation, the liquidation group shall perform the following functions and powers:

(1) clear up the Company's property and formulate the balance sheet and list of property;

(2) send notifications ~~**or**~~**and** declarations to the creditors;

(3) dispose of and clear up pending business of the Company;

(4) pay due taxes **and taxes accrued during the course of liquidation**;

(5) clear off claims and debts;

(6) dispose of the Company's remaining property after the repayment of the debts;

(7) participate in civil proceedings on behalf of the Company.

Article ~~174~~**126** After clearing up Company's property and formulating the balance sheet and list of property, the liquidation group shall formulate the liquidation scheme and submit the same to the **shareholders'** general meeting or ~~**the relevant competent authorities**~~ **the People's Court** for confirmation.

The assets of the Company shall be liquidated in the following order of priority:

(1) liquation costs payable;

(2) salaries and **social** insurance premiums payable to the employees **and statutory compensation**;

(3) outstanding taxes;

(4) debts of the Company.

The remaining assets of the Company upon repayment as specified in the preceding paragraph shall be distributed to the shareholders as per ~~**the types of their shares and**~~ their shareholding percentages.

~~**During the period of liquidation, the Company shall not carry out any new business activities.**~~

During the period of liquidation, the Company shall continue to exist but shall not carry out any new business activities not related to the liquidation. The property of the Company shall not be distributed to shareholders until all liabilities have been settled in accordance with the provisions of the preceding paragraph.

Article ~~175~~127 ~~In the event of Company's liquidation owing to dissolution, w~~Where the liquidation group finds out that Company's property are not sufficient for repayment of the debts after clearing up Company's property and formulating the balance sheet and lists of property, it shall ~~immediately~~ apply for ~~declaration of bankruptcy~~ **bankruptcy liquidation** with the ~~people's court~~**People's Court in accordance with laws**.

~~After the Company is declared as bankrupt through a verdict made by the people's court, the liquidation group shall prepare and hand over the liquidation matters to the people's court.~~ **After the People's Court accepts the application for bankruptcy liquidation, the liquidation committee shall hand over the liquidation matters to the bankruptcy administrator designated by the People's Court.**

Article ~~176~~128 Upon completion of the Company's liquidation, the liquidation group shall prepare a liquidation report ~~as well as an income/expenditure statement and financial books for the period of liquidation, which shall, after verification by certified public accountants in the PRC, be submitted at the general meeting or to the relevant competent authorities for confirmation.~~, which shall be submitted at the shareholders' general meeting or to the People's Court for confirmation, and be submitted to the company registration authorities for application for the deregistration of the Company.

~~The liquidation group shall submit the aforesaid documents to the Company registration authorities, apply for cancellation of the Company's registration, and announce the Company's dissolution within 30 days after confirmation at the general meeting or by the relevant competent authorities.~~

CHAPTER ~~22~~20 PROCEDURES FOR AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Article ~~177~~129 The Company may, pursuant to the requirements of the laws, administrative regulations and the Articles of Association, amend the Articles of Association. **Where any provisions of the Articles of Association is inconsistent with laws, regulations and rules, the provisions of the laws, regulations and rules shall prevail.**

Article ~~178~~130 The amendment to the Company's Articles of Association ~~involving the Mandatory Provisions for Overseas-listed Companies' Articles of Associations shall become effective upon receipt of approvals from the approving department authorised by the State Council and the China Securities Regulatory Commission. If there is any change~~ relating to the registered particulars of the Company, application shall be made for registration of the changes to the relevant commercial and industrial administrations in accordance with law.

~~CHAPTER 23 SETTLEMENT OF DISPUTES~~

~~Article 179 (1) Whenever any disputes or claims arise between holders of the overseas-listed invested shares and the Company, holders of the overseas-listed invested shares and the Company's Directors, supervisors, general manager, or other senior management members, or holders of the overseas-listed invested shares and holders of domestic-invested shares, based on the Articles of Association or any rights or obligations conferred or imposed by the Company Law or any other relevant laws and administrative regulations concerning the affairs of the Company, such disputes or claims shall be referred by the relevant parties to arbitration.~~

~~Where a dispute or claim of rights abovementioned is referred to arbitration, the entire claim or dispute must be referred to arbitration and any person (being the Company or a shareholder, Director, supervisor, general manager or other senior management members of the Company) who has a cause of action based on the same facts giving rise to the dispute or claim or whose participation is necessary for the resolution of such dispute or claim, shall abide by the arbitration.~~

~~Disputes in relation to the identification of shareholders and disputes in relation to the register of shareholders need not be referred to arbitration.~~

~~(2) A claimant may elect arbitration at either the China International Economic and Trade Arbitration Commission in accordance with its rules or the Hong Kong International Arbitration Centre in accordance with its Securities Arbitration Rules. Once a claimant refers a dispute or claim to arbitration, the other party must submit to the arbitral body elected by the claimant.~~

~~If a claimant elects arbitration at Hong Kong International Arbitration Centre, any party to the dispute or claim may apply for a hearing to take place in Shenzhen in accordance with the Securities Arbitration Rules of the Hong Kong International Arbitration Centre.~~

~~(3) If any disputes or claims of rights prescribed in subparagraph (1) above are referred to arbitration, the laws of the People's Republic of China shall apply, save as otherwise provided in laws and administrative regulations.~~

~~(4) The award of an arbitration body shall be final and conclusive and binding on all parties.~~

CHAPTER ~~24~~21 OTHERS

Article ~~180~~131 Any requirement in these Articles of Association on the Company to send, mail, dispatch, issue, publish or otherwise make available any Corporate Communication may, to the extent permitted under the laws and regulations and the listing rules in the place where the Company's shares are listed and the Articles of Association, be satisfied by making available the Corporate Communication on the website of the Company or by sending or providing the same through electronic means.

"Corporate Communication" refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to: (a) the directors' report, its annual accounts together with a copy of the auditor's report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a quarterly report; (d) notice of meeting; (e) a listing document; (f) a circular; and (g) a proxy form within the meaning as ascribed thereto under the listing rules of the stock exchange where its shares are listed."

Article ~~181~~132 "TONG REN TANG" and "Beijing Tong Ren Tang" are brand name and trademark of China Beijing Tong Ren Tang (Group) Co., Ltd. The Company's products or services involving the use of the "TONG REN TANG" brand and trademark shall be subject to the relevant regulations and agreements of China Beijing Tong Ren Tang (Group) Co., Ltd.

Where a connected transaction is involved, such transaction shall subject to relevant approval procedures as required by the Listing Rules of the Stock Exchange.

TONG REN TANG TECHNOLOGIES CO. LTD.

RULES OF PROCEDURES OF SHAREHOLDERS' GENERAL MEETINGS

CHAPTER 1 GENERAL PROVISIONS

Article 1. In order to ensure the normal order and efficiency of the shareholders' general meeting of Tong Ren Tang Technologies Co. Ltd. (the "**Company**"), improve the Company's governance level and work efficiency, and safeguard the legitimate rights and interests of shareholders, the Rules of Procedures of Shareholders' General Meetings of Tong Ren Tang Technologies Co. Ltd. (the "**Rules**") is formulated according to the Company Law of the People's Republic of China ("**Company Law**"), Securities Law of the People's Republic of China~~, the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas~~, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the articles of association of Tong Ren Tang Technologies Co. Ltd. (the "**Articles of Association**") and other relevant laws, regulations and normative documents.

Article 2. The shareholders' general meeting of the Company is comprised of all shareholders of the Company. The shareholders' general meeting is the highest authority of the Company.

The Company shall hold shareholders' general meeting strictly in accordance with the laws, administrative regulations, the Articles of Association and the Rules so as to ensure shareholders being able to lawfully exercise their rights. The board of directors of the Company (the "**Board**") shall duly perform its duties and organize shareholders' general meetings as scheduled.

All the directors of the Company shall be diligent and responsible so as to ensure that shareholders' general meetings are held normally and exercise their functions on a legal basis.

CHAPTER 2 SHAREHOLDERS' RIGHTS AND OBLIGATIONS

Article 3. A shareholder of the Company is a person who lawfully holds shares of the Company and whose name is entered in the register of members.

A shareholder shall enjoy the relevant rights and assume the relevant obligations in accordance with the class of shares he/she holds. Shareholders holding the same class of shares shall be entitled to the same rights and assume the same obligations.

Article 4. The **ordinary** shareholders of the Company shall be entitled to the following rights:

(1) the right to dividends and other distributions in proportion to the number of shares held;

(2) the right to attend or appoint a proxy to attend **shareholders'** general meetings and to exercise the voting right;

(3) the right ~~**to supervise and manage the business activities of the Company and**~~ to put forward proposals and raise inquiries **in respect of the operation of the Company**;

(4) the right to transfer shares in accordance with the laws, administrative regulations and provisions of the Articles of Association;

(5) the right to obtain relevant information in accordance with the provisions of the Articles of Association **including: inspecting and making copy of the Articles of Association, the register of members, minutes of shareholders' general meetings, resolutions of board meetings and financial accounting report.**

Where a shareholder who separately or collectively holds more than 3% of shares of the Company for more than 180 consecutive days requests to inspect the accounting books and vouchers of the Company, he/she shall submit a written request to the Company stating the purpose. Where the Company has reasonable grounds to believe that the shareholder's inspection of the accounting books and vouchers is for an improper purpose that may harm the legitimate interests of the Company, it may refuse to provide access for inspection, and shall reply to the shareholder in writing within fifteen (15) days from the date of the shareholder's written request, stating the reasons therefor. Where the Company refuses to provide access for inspection, the shareholder may file a lawsuit with the People's Court.

Shareholders may appoint an accounting firm, a law firm or other intermediaries to inspect the materials specified in the preceding paragraph. The Shareholders and the appointed accounting firms, law firms or other intermediaries shall comply with requirements of relevant laws and administrative regulations relating to the protection of state secrets, commercial secrets, personal privacy and personal information when they inspect the materials and make copy thereof.

The requirements in the preceding two paragraphs are applicable to shareholders who request to inspect or make copy of relevant materials of the Company's wholly owned subsidiary.

(6) in the event of the termination or liquidation of the Company, to participate in the distribution of remaining assets of the Company in accordance with the number of shares held;

~~**(7) the Company may not exercise any power to freeze or otherwise infringe the rights carried by any share held by any person who enjoys interests directly or indirectly merely for the reason that he/she has not disclosed his/her interests to the Company;**~~

(**87**) other rights conferred by laws, administrative regulations and the Articles of Association.

Article 5. The shareholders of the Company shall assume the following obligations:

(1) to comply with the Articles of Association;

(2) to pay subscription monies according to the number of shares subscribed and the method of subscription;

(3) other obligations imposed by laws, administrative regulations and the Articles of Association.

Shareholders are not obliged to make any further contribution to the share capital other than as agreed by the subscribers of the relevant shares on subscription.

CHAPTER 3 AUTHORITY OF SHAREHOLDERS' GENERAL MEETINGS

Article 6. The shareholders' general meeting is the authority of the Company and shall exercise its duties and powers in accordance with laws.

Article 7. The shareholders' general meeting may exercise the following duties and powers:

~~**(1) to decide on the operation policies and investment plans of the Company;**~~

(~~2~~**1**) to elect and replace directors and decide on matters relating to the remuneration of directors;

~~**(3) to elect and replace the supervisors who are representatives of shareholders and decide on matters relating to the remuneration of such supervisors;**~~

(**42**) to consider and approve reports of the Board;

~~**(5) to consider and approve reports of the supervisory committee;**~~

~~**(6) to consider and approve the annual budgets and final account proposals of the Company;**~~

(~~7~~**3**) to consider and approve the profit distribution plans and loss recovery plans of the Company;

(**84**) to make resolutions on increase or reduction in the registered capital of the Company;

(**95**) to make resolutions on matters such as merger, division, dissolution and liquidation or change of the form of the Company;

(~~10~~**6**)to make resolutions on the issuance of bonds of the Company;

(~~11~~**7**)to make resolutions on the appointment, dismissal or non-reappointment of external auditors by the Company;

(~~12~~**8**)to amend the Articles of Association;

(~~13~~**9**) to consider the motions submitted by shareholders individually or in aggregate holding ~~3%~~ **1%** or more of the voting shares of the Company**, except for those motions that violate the provisions of laws, administrative regulations or the Articles of Association, or do not fall within the scope of terms of reference of the shareholders' general meeting**;

(~~14~~**10**)other matters to be resolved by the shareholders' general meetings as required by laws, administrative regulations and the Articles of Association.

The shareholders' general meeting may authorize the Board of Directors to make resolutions regarding the issuance of the Company's bonds.

CHAPTER 4 CONVENING PROCEDURES OF SHAREHOLDERS' GENERAL MEETINGS

Section 1 Convening of Shareholders' General Meetings

Article 8. Shareholders' general meetings shall include annual general meetings and extraordinary general meetings. A **shareholders'** general meeting shall be convened by the Board. The annual general meetings shall be held once ~~**every year**~~ **every fiscal year** within six months after the end of the previous fiscal year.

The Board shall hold an extraordinary general meeting within two months upon the occurrence of any of the following circumstances:

(1) the number of directors is below the required number as prescribed by the Company Law or less than two-thirds of the required number of the Articles of Association;

(2) the uncovered losses are in excess of one-third of the total share capital of the Company;

(3) ~~**shareholders holding 10% or more of the Company's issued shares with voting rights request in writing to hold an extraordinary general meeting**~~ **shareholders individually or in aggregate holding more than 10% of the Company's shares request to do so**;

(4) the Board considers it necessary or ~~**the supervisory committee**~~ **the audit committee of the Board (also referred as the "Audit Committee",** proposes to convene such a meeting~~.~~**;**

(5) other circumstances provided in the Articles of Association.

Article 9. To convene an annual general meeting, the Company shall notify the shareholders of the time, venue and matters to be considered **by means of announcement** ~~**twenty (20)**~~ **twenty-one (21)** days prior to the meeting; and the Company shall notify the shareholders **by means of announcement** fifteen (15) days prior to an extraordinary general meeting. When calculating the period for issuing the notice, the date of the meeting shall be excluded. Where laws, regulations and competent securities regulatory authorities where the shares of the Company are listed otherwise stipulate, such provisions shall prevail.

Article 10. When the Company convenes a **shareholders'** general meeting, shareholder(s) holding, individually or in aggregate, ~~**3%**~~ **1%** or more of the total voting shares of the Company shall have the right to propose and submit in writing to the Board interim proposals ten (10) days prior to convening the **shareholders'** general meeting. The Board shall notify other shareholders **by means of announcement** within two (2) days of receipt of such proposals and submit such proposal for consideration and approval at the **shareholders'** general meeting**; except for interim proposals that violate the provisions of laws, administrative regulations or the Articles of Association, or do not fall within the scope of terms of reference of the shareholders' general meeting**. The contents of an interim proposal shall fall within the terms of reference of the **shareholders'** general meetings and shall contain definite subject and specific matters to be decided. **The Company shall not increase the shareholding of shareholders who submit interim proposals.**

Article 11. Matters which are not included in the notices set out in ~~**Articles 9 and**~~ **Articles** 10 **and 13** of this rules of procedures shall not be resolved at the shareholders' general meeting.

Section 2 Notice of Shareholders' General Meetings

Article 12. Notice of shareholders' general meetings refers to notice, circular and documents relating to meeting.

Article 13. A notice of the **shareholders'** general meeting shall meet the following requirements:

(1) it shall be given in writing;

(2) it shall specify the venue, date and time of the meeting;

(3) it shall state the matters to be considered at the meeting;

(4) it shall provide shareholders with required information and explanations to enable the shareholders to make sensible decisions on the matters considered~~**. This policy shall include (but not limited to) the provision of specific conditions and contracts (if any) for a contemplated transaction at the time when the Company proposes a merger, buyback of shares, reorganization of share capital or other restructuring, as well as reasonable explanation for the causes and consequences thereof**~~;

(5) in the event that any of the directors, ~~**supervisors,**~~ managers or other senior management has material interests in the matters to be considered, the nature and extent of such interests at stake shall be disclosed. In the event that the impact of the matters to be considered on the directors, ~~**supervisors,**~~ managers and other senior management as shareholders is different from that on the other shareholders of the same class, the difference shall be explained;

(6) it shall contain the full text of any special resolution to be proposed at the meeting;

(7) it shall explain in clear text that a shareholder entitled to attend and vote at such meeting has the right to appoint one or more proxies to attend and vote at such meeting on his/her behalf. A proxy need not be a shareholder;

(8) it shall specify the time and place for lodging proxy forms for the relevant meeting.

Article 14. The notice, documents or explanatory statement of general meeting shall be served to the shareholders and delivered by any of the following means:

(1) by personal delivery or by mail to the registered address of each of such holders of overseas listed shares;

(2) by posting on the Company's website or the website designated by the stock exchange where shares of the Company are listed according to applicable laws, administrative regulations and the relevant listing rules;

(3) by any other means acceptable to the stock exchange where shares of the Company are listed.

For ~~**domestic shareholders**~~ **shareholders holding domestic unlisted shares**, the notice of **shareholders'** general meeting may also be issued by means of announcement. ~~**Once the announcement is made, it shall be considered that all shareholders of domestic shares have been notified about the general meeting.**~~

Article 15. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice shall not invalidate the meeting and the resolutions passed at the meeting.

Section 3 Registration for Attending the Shareholders' General Meetings and Proxies

Article 16. The following documents shall be provided for on-site registration for attending the shareholders' general meetings:

(1) Non-natural individual shareholder: a copy of the business license, legal representative certificate and identity card. If the legal representative of a legal person shareholder appoints a proxy to attend the meeting, the written power of attorney issued by the legal representative and the identity card of the attendee shall be present.

(2) Individual shareholder: the identity card of the attendee. If a proxy is appointed, a copy of the identity card of the shareholder, the power of attorney and the identity card of the proxy shall be provided.

~~**Article 17. Any shareholder entitled to attend and vote at the general meeting shall have the right to appoint one of several persons (who may not be shareholders) to act as his proxy to attend and vote at the meeting on his behalf. The proxy so appointed by the shareholder may, pursuant to the instructions of the shareholder, exercise the following rights:**~~

~~**(1) the right which the shareholder has to speak at the general meeting;**~~

~~**(2) the right to demand a poll alone or jointly with others;**~~

~~**(3) the right to exercise voting rights on a show of hands or on a poll, provided that when more than one proxy is appointed, the proxies may only exercise such voting rights on a poll.**~~

Article ~~**18**~~ **17** ~~**A proxy must be appointed in writing and the appointing instrument must be signed by the shareholder or his/her attorney duly authorized in writing and, if the shareholder is a corporate, be affixed with the common seal or signed by its director or attorney duly authorized.**~~ **A shareholder who appoints a proxy to attend a shareholders' general meeting shall specify the matters in which the proxy will act, the authority, and the period; the proxy shall submit the shareholder's proxy form to the Company and exercise the voting rights within the scope of the proxy form.**

Article ~~19~~ 18 ~~Proxy forms shall be lodged at the domicile of the Company or other places specified in the notice of meeting 24 hours before the relevant meeting for voting according to the proxy form, or 24 hours before the designated time of voting.~~ If the proxy form is signed by a person under a power of attorney on behalf of the appointer, the power of attorney or other authorization documents authorized to be signed shall be notarized.

A notarially certified copy of that power of attorney or other authorization documents, together with the proxy form, shall be deposited at the domicile of the Company or other places specified in the notice of meeting.

Where the authorizing person is a legal person, its legal representative or other persons authorized by the resolutions of the Board or other decision-making organ to act as its representatives may attend the **shareholders'** general meeting of the Company as a representative of the authorizing person.

Article ~~20~~ 19~~(1)~~ Any form issued to a shareholder by the Board for use by him**/her** for appointing a proxy shall be in such form that allows the shareholder to freely choose to instruct the proxy to vote in favour of or against each resolution relating to each matter to be considered at the relevant meeting. Such form shall contain a statement that, in the absence of instructions ~~by the shareholder~~, his**/her** proxy may vote as he**/she** thinks fit.

~~(2)~~ A shareholder of the Company may authorize such person as he/she may deem as fit to act as his/her proxy at any **shareholder' general** meeting of the Company ~~or at any meeting of any class of shareholders of the Company~~. If more than one person is so authorised, the proxy form shall specify the class and number of shares in respect of which the authorisation is granted. The above authorised person is entitled to exercise ~~power~~ **rights** on behalf of the shareholder.

If the shareholder is a recognised clearing house as defined in the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong), such shareholder may authorise one or more persons as it may think fit to act as its proxy at any **shareholders'** general meeting ~~or any meeting of any class of shareholders~~, provided that if more than one person is so authorised, the proxy form shall specify the number and class of shares in respect of which the authorisation is granted to each such person. The persons so authorised may exercise the rights of the recognised clearing house on behalf of the recognized clearing house (or its "**agent**") as if such persons were individual shareholders of the Company.

~~**Article 21. Should the authorizing person pass away, become incapacitated, withdraw the authorization of proxies, withdraw the authorization to sign the authorization letter or the relevant shares have been transferred before voting, as long as the Company has not received written notification on the above-mentioned issues prior to the meeting, votes cast by their proxies according to the power of attorney remain effective.**~~

CHAPTER 5 PROCEEDING PROCEDURES OF SHAREHOLDERS' GENERAL MEETINGS

Section 1 Proposal at Shareholders' General Meetings

Article ~~22~~ **20** Proposals put forward at the shareholders' general meeting shall be specific and in relation to the matters to be discussed at the shareholders' general meeting. The shareholders' general meeting shall resolve on specific proposals.

Article ~~23~~ **21** The proposals put forward at the shareholders' general meeting shall meet the following conditions:

(1) The content of the proposals shall be in compliance with the laws, administrative regulations and the Articles of Association and shall fall within the terms of reference of the shareholders' general meeting;

(2) The theme of the proposal shall be clear and specific;

(3) The proposal shall be submitted in writing.

Article ~~24~~ **22** The convener(s) shall set out the matters to be discussed and considered at the shareholders' general meeting in the notice of such a shareholders' general meeting. If it is required to alter matters involved in the resolutions of the previous shareholders' general meeting, the contents of the proposal shall be complete and not only include the contents of the changes.

Section 2 Meeting Procedures of Shareholders' General Meetings

Article ~~25~~ **23** A shareholders' general meeting shall be conducted in the following order:

(1) The host announces the opening of the shareholder's general meeting and report the number of shareholder representatives present at the meeting, the number of shares represented and the proportion in the total share capital;

(2) Generally, the scrutineer is the institution which is appointed by the Company and is qualified to provide the scrutiny service;

(3) The proposals of the shareholders' general meeting are reviewed and considered one by one and the present shareholders are given time to discuss the proposals at the meeting;

(4) Shareholders attending vote at the meeting;

(5) Staff of the meeting collect the votes and counts the votes under the supervision of the scrutineer.

(6) The host announces the resolution of the shareholders' general meeting;

(7) The host announces the closing of the shareholders' general meeting.

Article ~~26~~ 24 ~~The general meeting shall be convened and presided by the chairman of the Board; where the chairman of the Board is unable to attend the meeting, it shall be convened and presided by the vice chairman of the Board; where both chairman and vice chairman of the Board are unable to attend the meeting, the Board may appoint a director to convene, preside the meeting and act as chairman; where chairman of the meeting is not appointed, the shareholders attending the meeting may elect one person to preside as chairman of the meeting; where the shareholders fail to elect chairman of the meeting for any reason, the shareholder (including the proxy) attending the meeting and holding the largest number of shares carrying voting rights shall preside as chairman of the meeting.~~ **The shareholders' general meeting shall be convened by the Board of Directors and presided by the chairman of the Board; where the chairman of the Board is unable to perform or fails to perform his/her duties, it shall be presided by the vice chairman (if any) of the Board; where the vice chairman (if any) of the Board is unable to perform or fails to perform his/her duties, it may be presided by one Director collectively elected by over half of the Directors.**

~~**Article 27. The chairman of the meeting shall determine whether or not a resolution of the shareholders' general meeting shall be passed, which shall be final and conclusive and shall be announced at the meeting and recorded in the minutes.**~~

Article ~~28~~ 25 In the event that the ~~**chairman**~~ **presiding officer** of the meeting has any doubt as to the result of a resolution put forward to the vote, he may have the votes counted. In the event that the ~~**chairman**~~ **presiding officer** of the meeting fails to have the votes counted, any shareholder present in person or by proxy who objects to the result announced by the ~~**chairman**~~

presiding officer of the meeting may demand that the votes be counted immediately after the declaration of the voting result, and the ~~**chairman**~~ **presiding officer** of the meeting shall have the votes counted immediately.

Article ~~**29**~~ **26** In the event that the votes are counted at the shareholders' general meeting, the counting results shall be recorded in the minutes of the meeting.

Article ~~**30**~~ **27** The minutes of the meeting together with the attendance book for shareholders' signing and the proxy forms for proxies attending the meeting shall be kept at the domicile of the Company.

Section 3 Convening Procedures of Extraordinary General Meetings ~~or Class Meetings~~

Article ~~**31**~~ **28** An extraordinary general meeting ~~**or class meeting**~~ shall be convened by the shareholders in accordance with the following procedures:

~~**(1)**~~ ~~**Two or more**~~ shareholders who **individually or** in aggregate holding 10% or more of the shares with voting power at such meeting may ~~**sign one or more written request in the same format and content to**~~ **request** the Board **in writing** for the convening of the extraordinary general meeting ~~**or class meeting**~~ and clarify the agenda of such meeting. ~~**Upon the receipt of such request, the Board shall convene the extraordinary general meeting or class meeting as soon as possible. The number of shares held as mentioned above shall be based on the date of the submission of the request of the shareholders**~~ **The Board of Directors shall determine whether an extraordinary general meeting shall be convened within ten (10) days upon the receipt of such request, and reply the shareholders in writing.**~~;~~

~~**(2) If the Board has failed to issue the notice of meeting within 30 days of the submission of such written request, the shareholders submitting such request may convene such meeting on their own within four months after the receipt by the Board of such request, and the rules of procedures of such meeting shall be substantially the same as those of the of shareholders' general meetings convened by the Board.**~~

The cost incurred by the shareholders as a result of the failure of the Board to convene such meeting as requested above shall be borne by the Company ~~**and deducted from the amount payable to directors who neglect their duties**~~.

Section 4 Voting and Resolution of Shareholders' General Meetings

Article ~~32~~ **29** The resolutions of the **shareholders'** general meeting shall be classified as ordinary resolutions and special resolutions.

Ordinary resolutions put forward in the **shareholders'** general meeting shall be passed by ~~one- half~~ **more than half** of the shareholders (including their proxies) with voting rights attending the meeting.

Special resolutions put forward in the **shareholders'** general meeting shall be adopted by not less than two-thirds of the shareholders (including their proxies) with voting rights attending the meeting.

A shareholder (including proxy) when voting at a shareholders' general meeting may exercise voting rights in accordance with the number of shares carrying the right to vote and each share shall have one vote.

~~**Article 33. At any general meeting, a resolution shall be voted on a show of hands unless a poll is demanded by the following persons before or after voting on a show of hands:**~~

~~**(1) the chairman of the meeting;**~~

~~**(2) at least two shareholders entitled to vote in person or proxies with voting rights;**~~

~~**(3) one or more shareholders (including proxies) individually or in aggregate representing more than 10% (including 10%) of all shares carrying voting rights at the meeting.**~~

~~**Unless a poll is so demanded, a declaration by the chairman of the meeting that a resolution has been carried on the basis of a show of hands, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour or against such resolution at the meeting.**~~

~~**The demand for a poll may be withdrawn by the person who makes such demand.**~~

~~**Article 34. A poll demanded on such matters as the election of chairman or the termination of the meeting shall be taken forthwith. A poll demanded on any other matters shall be taken at such time as the chairman may decide, and the meeting may proceed to discuss other matters, while the results of the poll shall still be deemed to be a resolution of that meeting.**~~

Article ~~35~~ **30** ~~**On a poll taken at a meeting, a shareholder (including proxy) entitled to two or more votes need not cast all his votes for or against in the same way.**~~

If any shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for (or only against) any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

~~**Article 36. In the case of an equality of votes, whether it is by show of hands or a poll, the chairman of the meeting shall be entitled to an additional vote.**~~

Article ~~37~~ **31** The following matters shall be approved by ordinary resolutions of a shareholders' general meeting:

(1) work reports of the Board ~~**and the supervisory committee**~~;

(2) plans formulated by the Board for profit distribution and making up losses;

(3) **appointment or** removal of the members of the Board ~~**and the members of the supervisory committee**~~, and determination of their emoluments and method of payment;

(4) ~~**annual financial budgets, audited accounts, balance sheets and profit and loss accounts and other financial statements**~~ **annual reports** of the Company;

(5) other matters unless otherwise required to be adopted as special resolutions in accordance with the applicable laws and administrative regulations or the Articles of Association.

Article ~~38~~ **32** The following matters shall be approved by special resolutions of a shareholders' general meeting:

(1) ~~increase or decrease of registered capital and issuance of shares of any class, warrants and other similar securities of the Company~~ **increase or decrease of registered capital of the Company**;

(2) issuance of debentures of the Company;

(3) division, merger, dissolution~~, liquidation and~~ **or** change of the form of the Company;

(4) amendments to the Articles of Association;

(5) purchase or disposal of material assets or provision of guarantees to others by the Company of a value exceeding 30% of the Company's total assets within one year;

~~(5) any other matters considered by the shareholders' general meeting, by way of an ordinary resolution, which have a substantial impact on the Company and require approval by a special resolution.~~

(6) any other matters which shall be approved by way of a special resolution as required by laws, administrative regulations or the Articles of Association.

~~Section 5 Special Procedures for Voting by a Class of Shareholders~~

~~Article 39. Shareholders holding different classes of shares shall be class shareholders.~~

~~Article 40. Class shareholders shall be entitled to the rights and assume obligations pursuant to the provisions of the law, administrative regulations and the Articles of Association.~~

~~Article 41. Any variation or abrogation of the rights of any class of shareholders proposed by the Company may only come into effect upon the adoption of a special resolution at a general meeting and approval by the affected shareholders of that class meeting.~~

~~Where any change in domestic and overseas laws, regulations and overseas listing rules and any decision made by the domestic or overseas securities regulatory authority gives rise to variation or abrogation of the rights of class shareholders, approval by a shareholders' general meeting or class meeting is not required.~~

~~The transfer by the Company's domestic shareholders of all or part of the domestic shares held thereby to foreign investors for listing and trading on overseas stock exchange(s) or the conversion of all or part of the domestic shares into overseas listed shares for listing and trading on overseas stock exchange(s) shall not be deemed as the Company's intention to vary or abrogate the rights of any class shareholders.~~

~~Article 42. The following circumstances shall be deemed to be a variation or abrogation of the rights of shareholders of a certain class:~~

~~(1) to increase or decrease the number of shares of a particular class, or increase or decrease the number of shares of another class having rights on voting, distribution or other privileges equal or superior to those of the shares of such class;~~

~~(2) to effect an exchange of all or part of shares of such class into shares of other classes, or to effect an exchange or grant a right of exchange of all or part of the shares of other classes into shares of such class;~~

~~(3) to remove or reduce the rights to accrued dividends or cumulative dividends attached to shares of such class;~~

~~(4) to reduce or remove the rights to a dividend preference or a liquidation preference to distribution of property attached to shares of such class;~~

~~(5) to add, remove or reduce the rights to conversion, options, voting, transfer, pre-emptive rights to placement and acquire securities of the Company attached to shares of such class;~~

~~(6) to remove or reduce rights to receive payment payable by the Company in particular currencies attached to shares of such class;~~

~~(7) to create a new class of shares having rights on voting, distribution or other privileges equal or superior to those of the shares of such class;~~

~~(8) to restrict the transfer or ownership of the shares of such class or increase such restrictions;~~

~~(9) to issue subscription rights or share conversion rights for shares of such class or other classes;~~

~~(10) to increase the rights and privileges of shares of other classes;~~

~~(11) to restructure the Company where the proposed restructuring scheme will result in different classes of shareholders bearing a disproportionate burden of obligations of such restructuring;~~

~~(12) to vary or abrogate the terms provided in this section.~~

~~Article 43. Affected class shareholders, regardless of whether they originally had the right to vote at the general meeting, shall have the right to vote at the class meeting in case of matters in Items (2) to (8), (11) to (12) of Article 42, but interested shareholders do not have voting rights at the class meeting.~~

~~Article 44. A resolution of the class meeting shall be passed by shareholders present in the meeting representing not less than two-thirds of voting rights.~~

~~Article 45. Written notice of a class meeting convened by the Company shall be dispatched to all shareholders of such class whose names appear on the register of members according to the requirements of Articles 9 of this rules of procedures, specifying the matters to be considered and the date and place of the meeting.~~

~~Article 46. Notices of the class meeting only need to be served on shareholders entitled to vote thereat.~~

~~The procedures for holding the class meeting shall be similar to those for holding the general meeting as far as possible, and the provisions in the Articles of Association and this rules of procedures relating to the procedures for a general meeting shall apply to the class meeting.~~

~~Article 47. Save for shareholders of shares of other classes, the holders of non-overseas listed domestic shares and holders of overseas-listed shares are deemed to be different classes of shareholders.~~

~~The special procedures for voting by class shareholders shall not apply in the following circumstances: (1)where the Company issues, upon approval by a special resolution at a general meeting, non-overseas listed domestic shares and overseas-listed shares once every twelve (12) months, either separately or concurrently, and the respective numbers of non-overseas listed domestic shares and overseas-listed shares proposed to be issued do not exceed 20% of the respective numbers of the issued non-overseas listed domestic shares and~~

~~**overseas-listed shares; (2)where the Company's plan to issue non-overseas listed domestic shares and overseas listed shares at the time of incorporation is carried out within fifteen (15) months from the date of approval by China Securities Regulatory Commission; (3) where, as approved by the securities regulatory authorities of the State Council, the holders of domestic shares of the Company transfer their domestic shares that are not listed on domestic or overseas stock exchange to foreign investors and such are listed and traded on overseas stock exchange.**~~

CHAPTER 6 SUPPLEMENTARY PROVISIONS

Article ~~**48**~~ **33** Any matters not covered by the Rules shall be implemented in accordance with the provisions of the relevant laws and regulations of the People's Republic of China and the Articles of Association.

TONG REN TANG TECHNOLOGIES CO. LTD.

RULES OF PROCEDURES OF THE BOARD OF DIRECTORS

CHAPTER 1 GENERAL PROVISIONS

Article 1. To improve and regulate the procedures for discussion and decision-making of the Board of Directors of Tong Ren Tang Technologies Co. Ltd. (hereinafter referred to as the "**Company**"), ensure the smooth progress of the Company's production, operation and management, and enhance the productivity and decision-making level of the Board of Directors, the Rules of Procedure of the Board of Directors of the Company (hereinafter referred to as the "**Rules of Procedure**") are formulated on the actual situation of the Company and in accordance with relevant laws and regulations including the *Company Law of the People's Republic of China* and the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (hereinafter referred to as the "**Listing Rules**"), the Articles of Association of the Company (hereinafter referred to as the "**Articles of Association**"), the *Implementation Measures of Tong Ren Tang Technologies Co. Ltd. on Further Standardizing and Implementing the "Three Importance and One Greatness" Policy-Making System* (hereinafter referred to as the **"Three Importance and One Greatness Policy-Making System**"), etc.

Article 2. The Board of Directors shall be responsible for the general meeting of shareholders, exercise the authority granted by the general meeting of shareholders, safeguard the interests of the Company and all shareholders, and be responsible for the decision-making of the Company's development goals and major business activities. The Board of Directors should regard the research and discussion of the Party Committee as the pre-procedure of the Board of Directors to make decisions on major issues so that the Party Committee and the Board of Directors can be fully connected in actual operation and effectively solve decision-making issues. The operation of the Board of Directors should follow the principles of legal compliance, collective decision-making, professionalism and high efficiency, be premised on the basis of standardized operation, make scientific decisions, increase strategic guide, and strengthen risk prevention and control, effectively modernize the governance system and capacity, ensuring the sustainable, healthy and high-quality development of the Company.

Article 3. The Rules of Procedure are applicable to the operation of the Board of Directors of the Company.

CHAPTER 2 BOARD OF DIRECTORS AND SPECIAL BOARD COMMITTEE

Article 4. The Board of Directors shall consist of ~~**seven to eleven**~~ **nine** directors, including at least three independent non-executive directors, at least one of whom shall have appropriate professional qualifications or professional knowledge of accounting or related financial management; The independent non-executive directors appointed by the Company shall account for at least one-third of the board members. **The members of the Board of Directors shall have one employee representative.** The members of the Board of Directors are elected by the general meeting of shareholders of the Company**, among which, the employee representative is elected by the employee representatives' general meeting**.

Article 5. The Board of Directors shall have a chairman and may have a vice-chairman elected by the Board of Directors.

Article 6. The term of office of the Board of Directors is three years. **Upon maturity of the current term of office, a Director shall be eligible to offer himself/herself for re-election and reappointment. In the event of failure to timely call for re-election on the expiry of term of office of directors, or the number of the Directors on the Board being less than the quorum due to the resignation of a Director within his/her term, the original directors shall, prior to the assumption of office by re-elected directors, continue to perform their duties as directors in accordance with the provisions of laws, administrative regulations and the Articles of Association. Any person appointed by the Board to fill a casual vacancy on or as an addition to the Board shall hold office only until the first annual general meeting after his/her appointment, and shall then be eligible for re-election and re-appointment. In the event of resignation of a Director, he/she shall notify the Company in writing, and the resignation shall take effect from the date upon the Company's receipt of such notice. However, under the circumstances specified in the preceding paragraph, the Director shall continue to perform his/her duties.**

The dismissal of directors may be resolved at the shareholders' general meetings with effect from the date such resolution was made. If a director is dismissed before the expiry of his/her term of office without justifiable reasons, he/she may claim compensation from the Company.

~~**(1) Unless otherwise provided by law, the Company has the power to remove any director on extraordinary general meeting of shareholders with special resolution (including a managing director or other executive directors, but without prejudice to any claim for damages under any contract) before the expiration of his period of office.**~~

~~(2) The minimum length of the period, during which notice to the Company of the intention to propose a person for election as a director and during which notice to the Company by such person of his willingness to be elected may be given, will be at least 7 days.~~

~~(3) That the period for employment of the notices referred to in subparagraph (2) will from the day after the dispatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.~~

Article 7. The Board of Directors shall exercise its powers as follows:

(1) Call the general meeting of shareholders, report to the general meeting of shareholders;

(2) Implement the resolutions of the general meeting of shareholders;

(3) Determine the operation plan and investment scheme of the Company;

~~(4) Formulate the Company's annual financial budget plan, budget adjustment plan;~~

(**5**~~4~~) Formulate the Company's profit distribution **plan** and loss balance plan;

(**6**~~5~~) Formulate plans for increasing or reducing the registered capital of the Company, and formulate plans for the issuance of bonds by the Company;

(**7**~~6~~) Prepare plans for merger, division, dissolution **or change of the form** of the Company;

(**8**~~7~~) Decide on the establishment of the Company's internal managerial body~~, including the establishment, adjustment and cancellation of the managerial department, branch company, branch factory, etc~~;

(**9**~~8~~) ~~Appoint or dismiss the general manager and the Secretary of the Board of Directors of the Company in accordance with the relevant provisions; appoint or dismiss the deputy general manager, the financial director, the general counsel and other senior managers of the Company as nominated by the general manager, and determine their remuneration;~~ **Appoint or dismiss the general manager, the deputy general manager, the financial director, the general counsel, the Secretary of the Board, the chief quality officer or the company secretary of the Company, and determine their remunerations;**

(~~9~~10) Formulate the basic management system of the Company;

(~~10~~11) Formulate the amendment of Articles of Association plan;

(~~11~~12) Determine the setup of the special committees, and appoint and dismiss its relevant responsible person; and

(~~12~~13) ~~**Other duties executed by the Board of Directors**~~ **To exercise other duties and powers provided by laws and regulations or the Articles of Association of the Company, as well as those conferred by the shareholders' general meeting**.

Except for the Board resolutions in respect of the matters specified in item (5), (6) and (10) of the preceding paragraph which shall be passed by more than two-thirds of the Directors, the Board resolutions in respect of all other matters may be passed by the affirmative vote of a simple majority of the Directors. Any matter which belongs to "Three Importance and One Greatness Policy-Making" such as major decision-makings, important personnel appointments and dismissals, or major project arrangements and large-sum capital operations is subject to the study and discussion by the Party organization before the Board and management make any decision.

Article 8. The Board of Directors shall have the following powers in corporate governance:

(1) Formulate and review the Company's principles and policies of corporate governance;

(2) Review and monitor the overall implementation of corporate governance policies by the Company as a whole and to ensure compliance with laws and regulatory requirements;

(3) Review the Company's compliance with the Corporate Governance Code and other relevant rules set out in Appendix 14 of the Listing Rules;

(4) Approve the annual corporate governance report of the Company and disclose it on the website of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Hong Kong Stock Exchange**") and the website of the Company;

(5) Formulate, review and monitor shareholder communication policies to ensure their effectiveness;

(6) Review and monitor the training and continuing professional development of directors and senior management; and

(7) Other corporate governance issues that the Board of Directors should be responsible for.

Article 9. The Special Board Committee is a working body within the Board of Directors, which is composed of directors. It conducts basic research on important issues to be deliberated by the Board of Directors or other issues authorized by the Board of Directors and provides professional consultation and suggestions to the Board of Directors. The Committee shall be responsible to the Board of Directors and shall not make any resolution in the name of the Board of Directors.

~~**Based on the principle of improving the decision-making quality and operational efficiency of the Board of Directors, the Board of Directors of the Company set up an Audit Committee, a Nomination Committee, a Remuneration Committee and a Strategy and Planning Committee. These committees shall work within their respective terms of reference. The meetings of the Audit Committee and the Strategy and Planning Committee shall be held at least twice a year, and the meetings of the Nomination Committee and the Remuneration Committee shall be held at least once a year.**~~

~~**Article 10. The Audit Committee, Nomination Committee and Remuneration Committee shall include at least three members respectively, and the Strategy and Planning Committee shall be composed of at least five members, which are all appointed after deliberation and approval by the Board of Directors. If a member no longer holds the post of director, his qualification shall be removed naturally, and the Board of Directors shall appoint a new one or reshuffle it in time.**~~

~~**Article 11. Each special committee shall have a chairman who shall preside over its own work. The Audit Committee and the Remuneration Committee shall be chaired by the independent non-executive director; the Strategy and Planning Committee shall be chaired by the chairman of the Board of Directors, and the Nomination Committee shall be chaired by the chairman or the independent non-executive director.**~~

~~**Article 12. The chairman of each special committee shall exercise his powers in accordance with his respective terms of reference, including but not limited to the following duties:**~~

~~**(1) Call and preside over meetings of the special committees;**~~

~~**(2) Take the lead in formulating the terms of reference of the special committees;**~~

~~**(3) Convene the provisional committee meeting if necessary;**~~

~~(4) Invite relevant personnel to attend the meeting as non-voting delegates if necessary;~~

~~(5) Carry out research on the topics to be discussed;~~

~~(6) Supervise and inspect the work of the special committees;~~

~~(7) Report the work of the special committees to the Board of Directors;~~

~~(8) Other duties assigned by the Board of Directors.~~

Article 10. The Board of Directors of the Company shall set up relevant special committees including an audit committee, a nomination committee, a remuneration committee, and a strategy and planning committee. The special committees shall be accountable to the Board and discharge their duties in accordance with the Articles of Association and the authorization from the Board. Each special committee shall operate in accordance with their terms of reference and shall be held at least two (2) meetings every year.

All members of the audit committee, the nomination committee, the remuneration committee, and the strategy and planning committee are composed of Directors, among which, the audit committee is composed of independent non-executive Directors and chaired by a professional possessing accounting expertise. The nomination committee comprises a majority of independent non-executive Directors and is chaired by the Chairman of the Board. The remuneration committee comprises a majority of independent non-executive Directors and is chaired by an independent non-executive Director. The strategy and planning committee comprises a majority of independent non-executive Directors and is chaired by the Chairman of Board. The Board of Directors is responsible for formulating the terms of reference of the special committees and regulating the operations of the special committees.

~~**Article 13. Within the scope of responsibilities granted by the Board of Directors, the chairman of each committee shall take the lead in studying and formulating the terms of reference of the special committees, which shall be implemented after being deliberated and approved by the Board of Directors.**~~

~~**Article 14**~~ **Article 11** The Company may, in light of the actual situation, arrange the liaison department of each committee. The liaison department shall collect information, assist in research, conduct daily contact and other services for each committee under the coordination by the office of the Board of Directors and hold the responsibility to the Secretary of the Board of Directors.

CHAPTER 3 COORDINATION AND SERVICE OF THE BOARD OF DIRECTORS' OPERATION

~~**Article 15**~~ **Article 12** The Board of Directors shall actively protect the interests of shareholders and the Company, improve the communication and coordination mechanism with shareholders and the Company's management, and form a working mechanism where everyone performs their respective duties, coordinate with each other, and achieve effective checks and balances, so as to promote the stable ~~**and sustainable**~~ development of the Company.

~~**Article 16**~~ **Article 13** The Board of Directors shall support management to exercise their powers within the scope of duties prescribed by laws, administrative regulations, the Articles of Association and duties authorized by the Board of Directors, so as to give full play to the functions of management for planning operation, grasping implementation and enhancing management.

~~**Article 17**~~ **Article 14** The management and functional departments of the Company are obliged to provide support and services for the Board of Directors and its special committees. The general manager and other senior management shall proactively respond to the consultation and questions from the Board of Directors and directors.

The Company should create conditions and make it convenient for external directors to perform their duties. Specific support and services include:

(1) Regularly report the operation of the Company, introduce the market and industrial development related to the Company, provide other relevant materials and information, and ensure that external directors have the same right of knowing as other directors;

(2) Organize the field survey for external directors;

(3) Actively cooperate with external directors to offer materials, coordinate with departments and personnel within the Company, and cooperate with external directors to carry out surveys on the performance of duties;

(4) Provide office space, office equipment and places for temporary meeting for external directors; and

(5) Other necessary facilities and cooperation related to the performance of duties of external directors.

When external directors exercise their powers, the relevant personnel of the Company shall proactively cooperate with them, without any refusal, hindering or concealing nor improper interference.

~~**Article 18. As for the major issues to be deliberated, the Board of Directors should adhere to the scientific and democratic principle, conduct in-depth investigation and study, and listen to the opinions of the Party Committee of the Company in advance in accordance with the Articles of Association and the implementation measures of "Three Importance and One Largeness Policy-Making System" before making a resolution.**~~

~~**Article 19**~~ **Article 15** The opinions of four special committees and relevant departments under the Board of Directors of the Company shall be listened to for specific problems. And shall listen to the opinions of the trade union of the Company and listen to the opinions and suggestions of employees through workers' congress or in other forms on major issues concerning the vital interests of the employees as well as formulating important rules and regulations.

CHAPTER 4 MEETINGS OF THE BOARD OF DIRECTORS

~~**Article 20. The directors shall discuss in the form of a meeting of the Board of Directors. The Board of Director meeting includes regular Board of Director meetings and interim Board of Director meetings. Regular meetings refer to the meetings of the Board of Directors held regularly according to the plan every year. An interim meeting is the Board of Director meeting that is proposed specifically and held irregularly. The Board of Director meeting shall be held at least four times a year, and at least once a quarter in principle.**~~

Article 16 Meetings of the Board shall be held at least four times every year and shall be convened by the Chairman of the Board. All of the Directors shall be notified about the meeting fourteen (14) days beforehand. In case of emergency, an extraordinary Board meeting may be held if it is so requested by more than one-third of the Directors, the Chairman of the Board, shareholders aggregately holding more than one-tenth of voting shares, the audit committee of the Board or the general manager of the Company. Extraordinary Board meeting must be convened when the Party Committee of the Company considers it as necessary. All Directors shall be notified about the extraordinary Board meeting within a reasonable time before the meeting. In case of emergency which requires an extraordinary Board meeting to be held as soon as possible, notice of such meeting can be given by phone or any other verbal method, provided that the convener makes an explanation thereof at the meeting.

~~**Article 21. The items included in the regular meeting of the Board of Directors include:**~~

~~**(1) The Company's annual business plan, investment and financing plan and audit work;**~~

~~**(2) The report by the general manager and other report on the implementation of decisions made by managers authorized by the Board of Directors;**~~

~~**(3) Scheme of arrangement for the regular meeting of the Board of Directors;**~~

~~**(4) The annual report by the Board of Directors and the annual report on the implementation of the resolutions of the Board of Directors;**~~

~~**(5) The Company's annual financial budget plan and final accounts (may appear in the form of financial reports) and annual profit distribution plan;**~~

~~**(6) Annual internal control evaluation report and annual audit report of the Company;**~~

~~**(7) Post evaluation work plan and report on the Company's investment project;**~~

~~**(8) Plan for the headquarter of the Company's bank credit granting and loan credit line, the appointment of the annual review intermediary agencies and payment of firm;**~~

~~**(9) Business performance assessment and salary management system for deputy management of the Company, as well as assessment plan, assessment results and salary distribution plan; Annual assessment plan and assessment results for the operation of the Company's subsidiaries;**~~

~~**(10) Other issues considered by the Board of Directors to be included in the regular meeting.**~~

~~**Article 22**~~ **Article 17** The meeting of the Board of Directors shall be held only when more than half of the directors are present. The meeting of the Board of Directors shall be convened and presided over by the chairman of the Boards of Directors. If the chairman is unable to perform his duties either willingly or due to special reasons, he shall appoint a vice-chairman **(if any)** to call and preside over the meeting of the Board of Directors on his behalf; if the vice-chairman **(if any)** fails to perform his duties willingly or unable to, a director jointly elected by more than half of the directors may be responsible for calling and presiding over the meeting.

~~**Article 23. In case of any of the following circumstances, the chairman of the Board of Directors shall call an interim meeting of the Board of Directors within a reasonable period of time:**~~

~~**(1) When the chairman considers it necessary;**~~

~~**(2) Three or more directors jointly propose;**~~

~~**(3) Other circumstances specified in the articles of association.**~~

~~**Article 24**~~ **Article 18** In principle, the meeting of the Board of Directors shall be held on the site, or by ~~**fax,**~~ teleconference, or other means of electronic communication if all participants are able to communicate with other participants with the voice at that time. Participation in the meeting in the form specified in this article is equivalent to attending the meeting in person.

The meeting of the Board of Directors shall be held in the form of on-site meetings in principle, when it is necessary to discuss and consider such "Three Importance and One Greatness Policy-Making (namely, implementation measures for decision-making on major issues, appointment and removal of important cadres, arrangement of important projects, and use of large funds)" except for force majeure.

The Board of Director meeting, whether in the form of on-site meetings or in the form of communication, shall be recorded in audio **or video format**, and the resolutions and minutes of the board meeting shall be made in writing.

~~**Article 25**~~ **Article 19** The notice of the meeting of the Board of Directors shall be given to all directors by telephone, mail, e-mail, fax, or special person.

(1) regular meetings of the Board of Directors: all directors shall be notified fourteen days prior to the meeting;

(2) Interim meetings of the Board of Directors: all directors shall be notified within a reasonable time before the meeting; and

(3) If the Board of Directors is expected to decide at a meeting to declare, propose or pay a dividend, or to pass a notice of profit or loss in respect of any annual, semi-annual or another period, the Company shall inform the Hong Kong Stock Exchange and make a notice at least seven business days before the meeting.

~~**Article 26**~~ **Article 20** The notice of the meeting of the Board of Directors shall include but not limited to the following contents:

(1) The date, place and manner of the meeting;

(2) Directors and non-voting participants;

(3) Resolutions; and

(4) The date of the notice.

~~**Article 27**~~ **Article 21** The proposer is responsible for drafting the resolutions and submitting the resolutions and relevant information to the Secretary of the Board of Directors or the office of the Board of Directors in a timely manner. Issues related to the "Three Importance and One Greatness Policy-Making System" shall be implemented in accordance with specific regulations. After the resolution is submitted to the chairman of the Board of Directors for determination, the Board of Directors shall hold a collective study and decision-making meeting. The proposer shall allow themselves ample time to go through the approval and information disclosure (if necessary) procedures.

~~**Article 28**~~ **Article 22** For the issues related to the "Three Importance and One Greatness Policy-Making System", which are submitted to the Board of Directors for voting, the audit report, risk assessment and control report, feasibility analysis, legal opinion and other relevant information shall be provided as the basis for the directors to make decisions.

~~**Article 29**~~ **Article 23** The documents, information and other materials provided to the directors shall be true, accurate and complete. Before the materials for topics are delivered to the directors at the meeting of the Board of Directors, if the directors think that the content for the topic is not clear, specific or the relevant materials are not amply, they can, through the Secretary of the Board of Directors or the office of the Board of Directors, request the relevant departments and personnel to supplement the materials or make the further explanation.

~~**Article 30**~~ **Article 24** The directors shall attend the meeting of the Board of Directors in person. If the directors are unable to attend the meeting for some reason, they shall ask the chairman of the meeting for leave and entrust other directors in writing to vote on their behalf.

The directors who vote on the behalf of others shall exercise their rights within the scope of authorization. If a director fails to attend a meeting of the Board of Directors or entrust a representative in writing, he shall be deemed to have given up his right, unless he is unable to attend and entrust due to force majeure.

The power of attorney shall specify the name of the entrusted person, the issues entrusted and the permission, the defined voting opinions of the entrusting party on each motion (vote for, against, or abstained), the signature and date of the entrusting party. If the entrusting party needs to give his opinions at the meeting, he shall provide them in writing together with the power of attorney.

Directors should not issue a blank power of attorney, nor should they entrust the entrusting party with full powers. Authorization should be granted on a case-by-case basis. In principle, a director shall not be entrusted by more than two directors who are not present in person at the same time.

~~**Article 31**~~ **Article 25** ~~**The Company's supervisors,**~~ **Pursuant to the provisions of the Articles of Association,** non-director-general manager, Secretary of Discipline Inspection Commission, **general accountant, general counsel and** Secretary of the Board of Directors**, etc.** ~~**and general counsel**~~ shall attend the meeting of the Board of Directors as non-voting delegates, while the deputy general manager, other senior managers and relevant personnel shall attend the meeting as non-voting delegates as required. Those who attend the meeting as non-voting delegates have the right to give their opinions on the topics at the meeting but have no right to vote.

The general counsel shall give independent legal opinions on the legal issues involved in the issues under consideration. When the Board of Directors of the Company deliberates major issues that need legal review and argumentation, it shall submit them to the general counsel in advance for legal review. Where there are confirmed major risks, the submission shall be postponed to the decision-making meeting; the general counsel shall attend the Board of Directors as non-voting delegates and independently give legal opinions on the legal issues involved in the issues deliberated.

~~**Article 32**~~ **Article 26** Each motion shall be voted on one by one at the meeting of the Board of Directors. Directors may favor, go against or abstain from the proposal submitted to the Board of Directors for deliberation. The directors who go against or abstain from the proposal shall state the specific reasons and record them in the minutes of the meeting. One man one vote system shall be adopted for voting at the Board of Director meeting.

The Board of Directors can vote on the resolution by three methods: written vote, the show of hands and voice vote, which shall be decided by the chairman according to the discussion of the Board of Directors.

~~**Article 33**~~ **Article 27** The directors shall withdraw from the voting on the relevant proposals under the following circumstances:

(1) The circumstances stipulated by Listing Rules in which directors should withdraw;

(2) The circumstances in which the directors themselves think they should withdraw; and

(3) Other circumstances stipulated in the Articles of Association that the directors have to withdraw due to their connection with the enterprise involved in the proposal of the meeting.

When the directors withdraw from voting, the resolution shall be passed by more than half of the unrelated directors.

~~**Article 34. When the Board of Directors makes the resolutions above-mentioned in Article 7, except for(6) Formulate plans for increasing or reducing the registered capital of the Company, and formulate plans for the issuance of bonds by the Company; (7) Prepare plans for merger, division, dissolution of the Company; and(11) Formulate the amendment of Articles of Association plan, which shall be favored by more than two-thirds of the directors with votes, other resolutions can be favored by more than half of the directors with votes. When the votes for and votes against the resolutions are equal, the chairman has the right to vote more than one vote.**~~

~~**Article 35**~~ **Article 28** The meeting minutes of the Board of Directors shall be kept in record. The minutes of the meeting shall include the date and place of the meeting, the name of the moderator, the name of the directors present, the topics of the meeting, the highlights of the directors' speeches, the voting methods and results of the resolutions, etc. The directors **and Secretary of the Board of Directors** attending the meeting shall sign the minutes of the meeting. The directors present at the meeting have the right to make explanatory notes on their speeches at the meeting.

~~**Article 36**~~ **Article 29** Decisions made by the Board of Directors shall become resolutions. The resolution shall at least include the following contents:

(1) The session, time and place of the meeting, or the date on which the resolution is passed and signed;

(2) Attendance;

(3) Absence and entrusted voting;

(4) Compliance with relevant laws, regulations, rules and Articles of Association;

(5) Moderator of the meeting;

(6) The ~~**voting method and result**~~ **voting result** of each resolution (the voting result shall indicate the number of votes for, against resolutions, abstaining from or withdrawing from the resolution);

(7) The resolution made at the meeting which involves connected transactions should form it into a separate resolution, stating the names, reasons and withdrawal of the directors who should withdraw from voting; and

(8) Other issues that should be explained and recorded in the resolution.

~~**The resolution made at the meeting should be made into at least three copies and**~~ **The resolution made at the meeting shall be** reported to the directors for signing. The Board of Directors may make resolutions on every single issue or make a joint resolution on the issues at the same meeting if necessary.

~~**Article 37**~~ **Article 30** As for issues that meet the requirements of disclosure of the Listing Rules, the Company shall issue an announcement on the day when the Board of Directors makes a resolution.

~~**Article 38**~~ **Article 31** The files of the Board of Director meeting shall be archived. Archival materials include meeting notice, agenda, power of attorney for directors to vote, the proposal on the meeting **and other materials**, meeting minutes and resolutions signed and confirmed by directors, etc.

The minutes and resolutions of the Board of Directors shall be kept permanently.

~~**Article 39**~~ **Article 32** The Board of Directors shall establish a supervision and inspection mechanism for the implementation of resolutions. The Secretary of the Board of Directors or the office of the Board of Directors is responsible for tracking and supervising the resolutions of the Board of Directors **and matters which need to be supervised**, and regularly reporting the progress to the Board of Directors. If the resolution of the Board of Directors is revised or terminated due to the changing circumstances, it shall be submitted to the Board of Directors for reconsideration and the resolution change shall be formed.

CHAPTER 5 POWERS OF THE CHAIRMAN

~~**Article 40**~~ **Article 33** The chairman of the Board of Directors shall exercise the following powers:

(1) Enjoy the rights of the directors, undertake the obligations and responsibilities of the directors, and exercise the authority to call and preside over the meetings of the Board of Directors, and undertake the corresponding obligations and responsibilities;

(2) The chairman of the Board of Directors is the person of primary responsibility for the effective operation of the Board of Directors. The Chairman is responsible for establishing and improving the working system and organization of the Board of Directors to promote the standardized and effective operation of the Board of Directors;

~~**(3) Determine the regular meeting arrangement of the Board of Directors throughout the year. If necessary, The Chairman may decide to hold an interim meeting of the Board of Directors;**~~

(**34**) Determine the agenda of the Board of Directors meeting, review the relevant proposals to be submitted to the Board of Directors, and decide whether to submit them to the Board of Directors for deliberation according to the responsibilities of the Board of Directors;

(**45**~~**5**~~) The meeting of the Board of Directors shall be convened on time, and the Rules of Procedure shall be followed when presiding over the Board of Directors meeting so that each director can fully give his personal opinions and vote after the full discussion;

(**5**~~6~~) Know how the resolutions of the Board of Directors are implemented, and be responsible for establishing the supervision and inspection mechanism for the implementation. As for the problems found in the inspection, the requirements for rectification shall be made in time; the results of the inspection and the major problems found shall be reported at the next meeting of the Board of Directors;

(**6**~~7~~) Sign the important documents of the Board of Directors on behalf of the Board of Directors according to the resolution of the Board of Directors, such as the appointment, dismissal, assessment and remuneration of the management personnel; sign the documents required by laws, administrative regulations, articles of association and authorized by the Board of Directors to be signed by the chairman of the Board of Directors;

(**7**~~8~~) Pay close attention to whether the Special Board Committee of the Board of Directors is set up rationally and operated effectively and the Secretary of the Board of Directors performs its duties; if necessary, give suggestions on adjustments and submit them to the Board of Directors for discussion and voting;

(**8**~~9~~) Communicate with the directors outside the meeting, listen to their opinions, and organize the directors to carry out necessary research and professional training;

(**9**~~10~~) Exercise the special adjudication and rights to respond in accordance with laws, administrative regulations, the interests of the Company and shareholders, and report to the Board of Directors afterward in case of emergency (such as war, extraordinarily serious natural disaster, etc.) in which the meeting of the Board of Directors can not be held in time;

(**10**~~11~~) Perform other duties stipulated by laws, administrative regulations and Articles of Association; and

(11) Other powers conferred by the Board of Directors, but the chairman shall not be authorized to determine any material matters which shall be determined collectively by the Board of Directors.

CHAPTER 6 DIRECTORS

~~**Article 41**~~ **Article 34** The directors of the Company are natural persons. Directors are not required to hold shares in the Company.

~~**Article 42**~~ **Article 35** Directors shall have the necessary professional knowledge to perform their duties, familiarize themselves with the Company's business, industry and modern enterprise management; they should have strong ability to make strategic decisions and prevent risks. Also, they should be experienced in investing in the Company's main business, enterprise management, financial accounting, finance, legal affairs, and human resource management.

~~**Article 43**~~ **Article 36** The directors shall strictly abide by the provisions of laws, regulations and the Articles of Association, faithfully and diligently perform their duties, safeguard the interests of the Company and keep business secrets. They shall not operate the same business on their own or for others as the Company or engage in activities detrimental to the interests of the Company. Without the provisions of the Articles of Association or the authorization of the Board of Directors, no director shall act in his own name on behalf of the Company or the Board of Directors.

~~**Article 44**~~ **Article 37** The directors shall be responsible for the resolutions of the Board of Directors. If the resolution of the Board of Directors violates the decisions of laws, administrative regulations, and Articles of Association **and the resolutions at the shareholders' general meeting**, which cause serious losses to the Company, the directors participating in the resolution shall be liable for compensation to the Company. However, if it is proved that they have expressed their objection when voting, which is also recorded in the minutes of the meeting, the director may be exempted from liability.

~~**Article 45**~~ **Article 38** During term of office in the Company, the directors shall enjoy the following rights:

(1) Acquire the Company's information necessary for the performance of the director's duties;

(2) Attend the meeting of the Board of Directors, fully express opinions, exercise the right to vote on the voting issues, and put forward supplementary and perfect requirements for the documents and materials submitted to the meeting of the Board of Directors;

(3) Put forward the proposal of holding the interim meeting of the Board of Directors, postponement of the meeting of the Board of Directors and postponement of voting on the issues discussed;

(4) Attend the meetings of special committees the directors hold the post and fully express their opinions;

(5) Review the implementation of the resolutions of the Board of Directors, and require the relevant departments and personnel of the Company to cooperate as entrusted by the chairman of the Board of Directors;

(6) Conduct research in the Company and its subsidiaries and learn more information from relevant personnel according to the need to perform their duties;

(7) Receive remuneration and allowances in accordance with relevant regulations;

(8) Enjoy the same benefits as that of office and business trip when performing their duties as directors in accordance with the relevant provisions;

(9) Reflect and consult the relevant information and opinions to the shareholders in writing or orally if necessary; and

(10) Other powers stipulated by laws, administrative regulations, normative documents and Articles of Association.

~~**Article 46**~~ **Article 39** During term of office in the Company, the directors shall have the following duties of loyalty:

(1) Act honestly and in good faith for the overall interests of the Company;

(2) Protect the safety of the Company's assets, safeguard the legitimate rights and interests of shareholders and the Company;

(3) Be able to use power for the overall interests of company members and for appropriate purposes;

(4) Keep the Company's trade secret;

(5) Don't take advantage of their power to accept bribes or other illegal income, and shall not encroach on the Company's property;

(6) Avoid actual and potential conflicts of interests and duties;

(7) Don't take advantage of their position to seek benefits for themselves or others;

(8) Shall not misappropriate the Company's funds or lend them to others; shall not use the Company's assets to provide guarantee for other personal debts;

(9) Is not allowed to operate similar or related businesses for others ~~**without the consent of shareholders**~~;

(10) Fully and fairly disclose its interests in the contracts with the Company;

(11) Is not allowed to let the Company or the enterprise that has business relations with the Company bear the expenses that should be borne by individuals, and accept gifts from the enterprise that has business relations with the Company;

(12) Abide by the regulations of the leading personnel of state-owned enterprises to engage in honest and clean work; and

(13) Other duties of loyalty stipulated by laws, administrative regulations, normative documents and Articles of Association.

~~**Article 47**~~ **Article 40** The directors shall abide by laws, administrative regulations and the articles of association, and bear the following diligent obligations to the Company:

(1) Put enough time and energy to perform the director's duties;

(2) Attend the meetings of the Board of Directors and its special committees of the Company, and participate in other activities of the Board of Directors;

(3) Express clear opinions independently, objectively, seriously and cautiously on the issues deliberated at the meetings of the Board of Directors and the meeting of the special committee on the basis of understanding and fully mastering the information;

(4) Be familiar with and continuously pay attention to the Company's production, operation and reform management, carefully read the Company's financial report and other documents, and timely report to the Board of Directors the problems that the Board of Directors should pay attention to, especially the Company's major losses and major business crisis events;

(5) Participate in continuous professional development, develop and update his/her knowledge and skills to ensure that they continue to contribute to the board with comprehensive information and as needed. The directors shall provide the Company with records of the training they have received;

(6) Truthfully provide relevant information and materials to shareholders to ensure the objectivity and integrity of the information provided; and

(7) Other diligent obligations stipulated by laws, administrative regulations, normative documents and Articles of Association.

~~**Article 48**~~ **Article 41** External directors perform their duties mainly by attending the meetings of the Board of Directors and its special committees. They may timely, comprehensively and deeply understand the Company's strategic planning, business management, business development, financial status, risk prevention and control and other relevant information by participating in or attending the Company's special meetings, symposiums, work meetings, on-site investigation, consulting materials and documents, and communicating with relevant personnel of the Company.

Article 42 Employee Directors refer to the employee representatives in the members of the Board of Directors. The Employee Director is democratically elected by the Company's employees through the employee representatives' general meeting, such election need not to be submitted to the shareholders' general meeting for consideration, and the term of office of Employee Directors shall be the same as other Directors. The Employee Directors may be dismissed by resolution at the employee representatives' general meeting.

~~**Article 49**~~ **Article 43** Anyone who has under any of the following circumstances shall not serve as the director of the Company:

(1) Have no or limited capacity for civil conduct;

(2) Be sentenced to criminal punishment for the crime of embezzlement, bribery, embezzlement of property, misappropriation of property or sabotage of ~~**social and**~~ **socialist market** economic order~~**, with a period of execution less than five years**~~; or deprived of political rights for the crime with a period of execution less than five years; **or if the individual has been granted a suspended sentence, a period of less than two years since the date of the expiry of the probation period of the suspended sentence**;

(3) Have served as a director or factory director or manager of a company or enterprise which has been bankrupt and liquidated ~~due to mismanagement~~ and being personally responsible for the bankruptcy of the company or enterprise, and within three years after the completion of the bankruptcy and liquidation of the company or enterprise;

(4) Have served as the legal representative of a company or enterprise whose business license has been revoked or ordered to close due to violation of the law and being personally responsible, and within three years after the date of revocation of the business license **or order to close down** of the company or enterprise;

(5) His individual's debt of relatively large amount has not been paid off when it is due **and is listed by the People's Court as a judgment defaulter**;

(6) Involved in the case which has not been closed yet because of the violation of the criminal law;

(7) The situation where he is not allowed to be the leaders of enterprises according to laws and administrative regulations;

(8) Non-natural person;

(9) Having been determined by the relevant competent authority to have violated the provisions of the relevant securities laws and regulations, and involving acts of fraud or dishonesty, and not having exceeded five years from the date of such determination~~;~~.

If the directors are elected or appointed in violation of the provisions of this article, the election, assignment shall be invalid. If any of the circumstances mentioned in this article occurs during the term of office of the directors, the Company shall remove him from office according to law.

~~**Article 50**~~ **Article 44** The independent non-executive director shall be independent. Independent non-executive directors shall submit written confirmation of their independence to the Hong Kong Stock Exchange. In the future, if there is any change in circumstances that may affect their independence, the independent non-executive directors shall notify the Hong Kong Stock Exchange as soon as practicable, and they shall confirm their independence to the Company every year.

As a member of the Board of Directors with the same status as other directors, independent non-executive directors should regularly attend the meetings of the Board of Directors and the special committees in which they are members, actively participate in the affairs of the meetings, and make contributions with their skills, professional knowledge and different backgrounds and qualifications. They should ~~also~~ attend the general meeting of shareholders and have a fair understanding of the opinions of shareholders of the Company.

The independent non-executive directors shall perform their duties independently and shall not be affected by the major shareholders or actual controllers of the Company, or the units or individuals having interests with the Company and its major shareholders or actual controllers. When the independent non-executive directors exercise their powers, the personnel of the Company shall actively cooperate with them, without any refusal, hindering, or interference in their independent exercise of powers.

CHAPTER 7 SECRETARY OF THE BOARD OF DIRECTORS AND OFFICE OF THE BOARD OF DIRECTORS

~~**Article 51**~~ **Article 45** The Board of Directors shall have one Secretary. The Secretary of the Board of Directors is responsible to the Board of Directors and is a senior manager of the Company. The Secretary of the Board of Directors shall be nominated by the chairman and appointed or dismissed by the Board of Directors.

~~**Article 52**~~ **Article 46** The Secretary of the Board of Directors shall be full-time employees in general, to ensure his time and energy necessary for performing duties. When there is a vacancy in the Secretary of the Board of Directors, the relevant personnel shall be designated in time to perform the duties of the Secretary of the Board of Directors; the candidates for the Secretary of the Board of Directors shall be determined as soon as possible.

~~**Article 53**~~ **Article 47** The Secretary of the Board of Directors is responsible for the communication between the Board of Directors, **the shareholders' general meeting,** the Party Committee and the management of the Company, organizing the regular work of the Board of Directors, and maintaining the compliance operation of the corporate governance structure.

~~**Article 54**~~ **Article 48** The Secretary of the Board of Directors shall perform the following duties:

(1) Assist the Board of Directors to strengthen the development of corporate governance mechanism; master the requirements of relevant laws, regulations and normative documents on corporate governance and board building; regularly inspect the operation

procedures and documents of the Board of Directors, and promote the Board of Directors to operate in accordance with the law and the directors perform their duties in accordance with the law;

(2) Assist the directors to understand the major information of the Company and the relevant policies and industry conditions of the Hong Kong Stock Exchange, and provide support and help for the ~~**independent non-executive directors**~~ **external directors** to perform their duties;

(3) Responsible for relevant information disclosure matters of the Company, supervise and urge the Company to formulate and execute the relevant systems of information disclosure~~.~~**;**

(4) Prepare and organize meetings of the Board of Directors and the meetings of the special committee; review the materials on the topics to be considered by the Board of Directors; make and keep meeting notice, agenda, record, resolution, opinion and other meeting documents, and be responsible for the authenticity, accuracy and integrity of the contents;

~~**(5) Formulate the regular meeting arrangement of the Board of Directors for the next year according to the Company's strategic plan and annual production and operation plan, and implement them after the deliberation and approval of the Board of Directors;**~~

(**5**~~**6**~~) Conduct relevant research work;

(**6**~~**7**~~) Convey the resolutions of meetings of the Board of Directors, actively learn about and supervise how the relevant resolutions are implemented, timely report them to the Board of Directors and give suggestions;

(**7**~~**8**~~) Draft relevant plans and formulate various rules and regulations for the operation of the Board of Directors as entrusted by the Board of Directors or the chairman of the Board of Directors;

~~**(9) Ensure that the Company prepares and submits the reports and documents required by the competent authorities in accordance with the law;**~~

(~~8~~**11**) Ensure that the register of shareholders of the Company is properly established and that those who are entitled to the relevant records and documents of the Company are timely provided;

(~~9~~**10**) Perform other duties as stipulated in the Articles of Association and authorized by the Board of Directors.

~~**Article 55**~~ **Article 49** To perform their duties, the Secretary of the Board of Directors may attend the internal meetings of the Company such as the Party Committee and the manager's meeting as non-voting delegates, require the relevant departments and personnel to attend the meetings of the Board of Directors or committees as non-voting delegates, provide relevant documents, information and other materials, and give explanations.

~~**Article 56**~~ **Article 50** The Company shall establish an office of the Board of Directors under the leadership of the Secretary of the Board of Directors to ensure the effective operation of the Board of Directors and its committees.

~~**Article 57**~~ **Article 51** The office of the Board of Directors shall perform the following duties:

(1) Assist the Secretary of the Board of Directors in work before, during and after the Board of Directors meeting and special committee meeting;

(2) Draft the report of the Board of Directors;

(3) Be responsible for regular contacts with directors, supply relevant information and materials of the Company, and provide necessary service for directors to perform their duties;

(4) Coordinate the work of all special committees;

(5) **Follow and** supervise the implementation of the resolutions of the Board of Directors and related issues, and report them to the Secretary of the Board of Directors;

(6) Implement other tasks assigned by the Secretary of the Board of Directors.

CHAPTER 8 SUPPLEMENTARY PROVISIONS

~~**Article 58**~~ **Article 52** The Rules of Procedure shall come into force as of the date when they are deliberated and adopted by the general meeting of shareholders, and shall be interpreted by the office of the Board of Directors. ~~**The original *Rules of Procedure of the Board of Directors of Beijing Tong Ren Tang Technologies Co. Ltd.* shall be repealed at that time.**~~

~~**Article 59**~~ **Article 53** Issues not covered herein shall be subject to the relevant national laws, administrative regulations, normative documents, Articles of Association and Listing Rules, as well as the requirements of the *Rules of Procedure of the Board of Directors of China Beijing Tong Ren Tang Group Co., Ltd*. If there is any inconsistency with the newly promulgated laws, administrative regulations, normative documents or the ~~**current effective**~~ Articles of Association and Listing Rules, the new ones shall prevail.



Tong Ren Tang Technologies Co. Ltd.

北京同仁堂科技發展股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1666)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "**EGM**") of Tong Ren Tang Technologies Co. Ltd. (the "**Company**") will be held at No. 20 Nansanhuan Zhonglu, Fengtai District, Beijing, the People's Republic of China (the "**PRC**") at 1:30 p.m. on Monday, 18 August 2025 for the purpose of considering and, if thought fit, approving the following resolutions:

As Ordinary Resolutions

1. To approve the appointment of Mr. Zhang Chun You as an executive Director of the ninth session of the Board of the Company and his remuneration proposed by the Board, and to authorize the Board to enter into a service contract with Mr. Zhang Chun You.

2. To approve the appointment of Ms. Wen Kai Ting as an executive Director of the ninth session of the Board of the Company and her remuneration proposed by the Board, and to authorize the Board to enter into a service contract with Ms. Wen Kai Ting.

3. To approve the remuneration of Mr. Zhang Yi, an executive Director of the Company, as proposed by the Board.

4. To approve the remuneration of the Employee Director(s) of the Company, as proposed by the Board.

5. To approve the amendments to the Rules of Procedures of Shareholders' General Meetings of the Company.

6. To approve the amendments to the Rules of Procedures of the Board of Directors of the Company.

As Special Resolution

7. To approve the amendments to the Articles of Association of the Company (including abolition of the supervisory committee and supervisors of the Company, and establishment of Employee Directors).

By order of the Board
Tong Ren Tang Technologies Co. Ltd.
Zhang Yi
Chairman of the Board

Beijing, the PRC

29 July 2025

As at the date of this notice, the Board comprises Mr. Zhang Yi as executive Director, Mr. Di Shu Bing, Mr. Chen Jia Fu, Mr. Chen Fei, Ms. Feng Zhi Mei and Ms. Feng Li as non-executive Directors, Ms. Chan Ching Har, Eliza, Mr. Zhan Yuan Jing and Mr. Li Siu Bun as independent non-executive Directors.

Notes:

1. ELIGIBILITY FOR ATTENDING THE EGM

Holders of H Shares whose names appear on the register of the Company maintained by Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, and holders of Domestic Shares whose names appear on the register of the Company on Wednesday, 13 August 2025 shall be entitled to attend the EGM.

2. PROXY

(1) Shareholders entitled to attend and vote at the EGM may appoint one or more proxies in writing to attend and vote at the meeting on his behalf. The proxy need not be a shareholder of the Company.

(2) A proxy shall be appointed by a shareholder by a written instrument signed by the appointor or his attorney duly authorized in writing. In case of a corporation, the same must be either under its common seal or under hand of its director(s) or duly authorized attorney(s). If the written instrument is signed by an attorney of the shareholder, the power of attorney or other documents of authorization of such attorney shall be notarized.

(3) To be valid, the notarized power of attorney or other document(s) of authorization (if any) and the form of proxy shall be delivered to (i) Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, for holders of H Shares; and (ii) the office address of the Company for holders of Domestic Shares, no less than 24 hours before the time fixed for convening the EGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he so desires.

(4) If a shareholder appoints more than one proxy, such proxies shall only exercise their voting rights by a poll.

3. REGISTRATION PROCEDURES FOR ATTENDING THE EGM

A shareholder or his proxy shall produce his identification document when attending the EGM Where a shareholder is a legal person, the legal representative of that shareholder or the person authorized by its board of directors or other governing body shall produce a copy of the resolution of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.

4. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the period as set out below, during which time no transfer of shares will be registered. In order to be qualified for attending and voting at the EGM, and be qualified for the Final Dividend, all transfer documents of the holders of H shares must be lodged with the Company's H share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Center, 183 Queen's Road East, Wanchai, Hong Kong, no later than the deadline as set out below:

To be qualified for attending and voting at the EGM

Deadline for lodging the transfer documents with Computershare Hong Kong Investor Services Limited	4:30 p.m. on Tuesday, 12 August 2025
Book closure period	From Wednesday, 13 August 2025 to Monday, 18 August 2025 (both days inclusive)
EGM record date	Wednesday, 13 August 2025

5. METHOD OF VOTING AT THE EGM

Pursuant to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by way of poll. Accordingly, the chairman of the EGM will demand a poll in relation to all the proposed resolutions at the EGM.

6. MISCELLANEOUS

(1) The EGM is expected to be held for less than half a day. Shareholders attending the EGM shall be responsible for their own travelling and accommodation expenses.

(2) The address of Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, is Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(3) The office and the contact details of the Company are:

No. 20 Nansanhuan Zhonglu,
Fengtai District,
Beijing, the PRC
Telephone: (+86) 10 87632179
Email: ir@tongrentangkj.com